

Solent Local Enterprise Partnership
Meeting of the Board to be held on Monday 9 March 2020
09:00 to 12:00

Item	Title	Time
1.	Welcome and Introduction	09:00 - 09:05
2.	Apologies for absence	09:05 - 09:20
3.	Minutes of meeting held on Friday 17 January 2020	
4.	Matters Arising and declarations of interest to include consideration of registers of interest	
	<u>Items for Discussion and Decision</u>	
5.	Finance and Funding Report from FFPMG to include: <ul style="list-style-type: none"> • Retained schemes update • Consideration of Local growth programme to 2020/21 • Forecast final out-turn for 2019/20 • Proposed budget for 2020/21 • Financial forecasts for 2020/21 – 2021/22 • Review of Corporate Risk Register 	09:20 – 09:50
6.	Solent Prosperity Fund to include: <ul style="list-style-type: none"> • update on Round 6 and 7 • update on revised technical guidance for Large Scale Projects 	09:50 – 10:20
7.	Draft Business Plan for 2020/21	10:20 – 10:40
8.	Strategy update to include consideration of: <ul style="list-style-type: none"> • Solent 2050 Strategy • Free ports consultation • Internationalisation Strategy 	10:40 – 11:40
	<u>Items for Note</u>	
9.	Any other business <ol style="list-style-type: none"> a. HM Government update b. Forward Plan for agreement c. Governance update and feedback from AGM 	11:40 – 12:00

09.03.2020

Item 3

**Draft notes of meeting held on Friday 17th January
2020**



**SOLENT
LOCAL
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PARTNERSHIP**

Solent Local Enterprise Partnership Meeting of the Board of Directors

Held on Friday 17 January 2020 at 09:00 at Cams Hall, Fareham

Present	In Attendance
Gary Jeffries (Chair)	Stuart Baker (LEP Executive)
Anne-Marie Mountifield	Steve Futter (LEP Executive)
Judith Grajewski	Richard Jones (LEP Executive)
Kevin George	Nicola Twiddy (LEP Executive)
Brian Johnson	Caitlin Earey (LEP Executive)
SJ Hunt	Lloyd Clark - Portsmouth City Council (as the Accountable Body)
Paula Swain	James Fitzgerald - Portsmouth City Council (as the Accountable Body)
Rachael Randall	Sophie Mallon - Portsmouth City Council (as the Accountable Body)
Nick Loader	Toni Wootton - BEIS Cities and Local Growth Unit (CLGU)
Stuart Hill	
David Youngs	Guests
	Stephanie Cesbron (AECOM) - Item 6 only
Apologies	Crispin Dick (Paris Smith LLP)
Christopher Hammond	
Graham Galbraith	Observer
Chris Ward - Portsmouth City Council	Jo Sawford (elected as a new Business Director with effect from 28 February 2020)
Dave Stewart	
Seán Woodward	
Gerald Vernon-Jackson	

Item	ACTION
<p>1. Welcome and Introductions</p> <p>Gary Jeffries welcomed everyone to the meeting and introduced Jo Sawford who would be joining the Board at the next Annual General Meeting (AGM) on 28 February 2020. It was noted that this Board meeting would be the last for Gary and for Stuart as they were due to end their term at the next AGM on 28 February 2020. Gary and Stuart each reflected on their time on the Board, thanked the Executive Team for their work, support and dedication to achieving and delivering on the Solent LEP's ambition and strategies before concluding by wishing the Board every success for the future.</p>	
<p>2. Apologies for Absence</p> <p>Apologies were received from Christopher Hammond, Graham Galbraith, Dave Stewart, Seán Woodward and Gerald Vernon-Jackson and, from the Accountable Body, Chris Ward. It was noted that James Fitzgerald was attending as the nominated representative from the Accountable Body</p> <p>On the basis of the apologies received, it was noted that the Board would not meet the</p>	

	<p>quoracy requirements for decisions under item 5b as there would not be two Public (P) or Higher Education (H) Directors in attendance for the item. The Board were advised that a written resolution would be circulated to all Board Members following the meeting for decision in relation to this item. It was also noted that, for item 6, the quoracy requirements for the Board would revert to those set out under Article 43.4 of the Solent LEP Articles of Association.</p>	
<p>3.</p>	<p>Notes of the meeting held on Friday 13 December 2019 The minutes of the 13 December 2019 Board meeting were Agreed and signed by the Chairman.</p>	
	<p>4. Matters Arising – notes of the meeting on 13 December 2019</p> <p><u>Freeports</u> Members were advised the next Freeport meeting was on 22 January 2020, which would be Chaired by Kevin George, and an update would be brought to the March Board meeting.</p> <p><u>Maritime UK Solent</u> The date of the next Maritime UK Solent Shadow Board was noted to be 22 January 2020 to discuss the strategic and delivery plan for Maritime UK Solent. It was reported that the Solent LEP had been shortlisted as a finalist for the Maritime UK 2050 award at the Mersey Maritime Industry Awards 2020 to recognise the contribution of the Solent LEP's work to the maritime sector nationally. Kevin George provided an update following from the UK-US Maritime Forum in Washington DC, and ongoing discussions nationally in relation to the Jones Act.</p> <p><u>Flybe</u> Anne-Marie provided an update to members following the announcements in relation to Flybe during the week.</p> <p>Judith Grajewski joined the meeting.</p> <p><u>Declarations of Interest</u> The following declarations of interests were noted at the meeting and recorded for Directors sending apologies for the meeting for completeness:</p> <p>Item 6</p> <p><u>Judith Grajewski</u> M27 Junction 10 Stubbington Bypass One application to Solent Prosperity Fund</p> <p><u>Paula Swain</u> M27 Junction 10</p> <p><u>Nick Loader</u> One application to Solent Prosperity Fund (for noting only)</p> <p><u>Stuart Baker</u></p>	

	<p>M27 Junction 10 (for noting only) Stubbington Bypass (for noting only)</p> <p><u>Dave Stewart</u> Three applications to Solent Prosperity Fund</p> <p><u>Gerald Vernon-Jackson</u> Five applications to Solent Prosperity Fund</p> <p><u>Sean Woodward</u> M27 Junction 10 Stubbington Bypass Two applications to Solent Prosperity Fund</p> <p><u>Chris Ward</u> Eight applications to Solent Prosperity Fund</p> <p><u>Graham Galbraith</u> One application to Solent Prosperity Fund</p> <p><u>Chris Hammond</u> Two applications to Solent Prosperity Fund</p>	
	<p>5a. Management of Interest's Update</p> <p>Board Members were provided with the LEPs annual briefing on the management of interests in relation to the National Local Growth Assurance Framework, Solent LEP Articles of Association and Corporate responsibilities. Board Members were asked to consider the update; and, in advance of the next Board meeting on 9 March also to consider the Registers of Interest of board members</p> <p>It was also agreed that the LEP Executive and Company Secretary would provide a further briefing to board members ahead of the next board meeting as needed.</p>	<p>LEP Executive and Company Secretary</p>
	<p>5b. Governance Update</p> <p>An overview was provided and Board members were asked to provide any comments on the recommendations under Item 5b, including in relation to the Solent LEP Assurance Framework; 2020 Company AGM; 2020 Annual Report and delegation of responsibilities of the Chair to the Deputy Chair on an interim basis from the conclusion of the 2020 AGM until the appointment of a new LEP Chair.</p> <p>It was suggested that the assurance framework should include a climate change and environmental impact section. An update was provided in relation to the sustainability pledges included in the draft Assurance Framework and an environmental impact analysis is undertaken by scheme promoters for all projects submitting a full business case for LEP funding. Further work would be undertaken in this area as policy on climate change adaptation moves forward.</p> <p>An update was provided on the Annual Performance Review meeting with Government</p>	

	<p>scheduled for 3 February 2020, which would be attended by the Chair, Deputy Chair, Chief Executive and S151 Officer representative. An overview of the process was provided, including an update in relation to interim government feedback and action being taken in response to this.</p> <p>Post Meeting Note</p> <p>Following the meeting, the Board Considered a written resolution and:</p> <ul style="list-style-type: none"> • Agreed the new Assurance Framework as circulated and Delegated authority to the LEP Chief Executive and Chair to finalise for publication and implementation; • Delegated authority to the Executive to finalise all associated policy documents shared with Board Members on 2 January 2020 for publication and implementation; • Agreed the agenda shared with Board Members on 2 January 2020 for the 2020 AGM and Delegated authority to the Chair, Executive and Company Secretary to finalise arrangements for the 2020 AGM; • Agreed the Solent LEP 2019 Annual Report shared with Board Members on 2 January 2020 for publication at the 2020 AGM, and; • Agreed to delegate the responsibilities of the LEP Chair to Brian Johnson, to take effect from the conclusion of the Solent LEP 2020 AGM and concluding upon appointment of a new Solent LEP Chair. 	<p>LEP Executive</p>
<p>6.Solent Prosperity Fund Update</p>	<p>Board Members received an update on funding scenarios from Anne-Marie Mountifield and James Fitzgerald.</p> <p>The following board members then declared an interest in the item and withdrew from the meeting at this point: Judith Grajewski and Paula Swain.</p> <p>The confidential meeting notes relating to item 7 of the 13 December 2019 Board meeting were Agreed and signed by the Chairman.</p> <p>Stephanie Cesbron from AECOM joined the meeting and provided a presentation on applications received during Round 6 and 7 of the Solent Prosperity Fund and independent due diligence undertaken.</p> <p>The Board Noted the update provided.</p> <p>The Board Considered the independent due diligence report and Agreed to invite four projects to develop full business cases:</p> <p>Given the Board's decision, the delay in the decision-making process as a result of the Purdah period for the general election and the required work to develop a full business case, the Board were asked to extend the deadline for projects to be on site from June to August 2020. The Board Agreed to extend the deadline for projects to start on site to end August 2020.</p>	<p>LEP Executive and Accountable Body</p>

	<p>Stephanie Cesbron left the meeting.</p> <p>LGD Retained Projects QMRs</p> <p>The Board Agreed the Q3 Quarterly Monitoring Reports for Stubbington Bypass and M27 Junction 10 and Delegated authority to the Executive Team to submit both to the Department for Transport by 17 January 2020.</p> <p>Judith Grajewski and Paula Swain re-joined the meeting.</p>	<p>LEP Executive</p>
	<p>7. Any Other Business</p> <p>The Board Considered and Agreed the forward plan as set out in paper 7.</p>	<p>LEP Executive</p>
	<p>Date of next meeting</p> <p>The date of the next Board meeting was confirmed to 9 March 2020.</p>	
<p>Board Meeting closed at 11:23</p>		
<p>Solent LEP Strategy Session</p>	<p>Board members considered a range of briefings in the first part of the strategy session as follows:</p> <ul style="list-style-type: none"> • An update on stakeholder engagement and the work being undertaken by Delta 7 • A presentation from Dr John Denham from the Southern Policy centre <p>In part two of the session Board Members received an update on the work to develop a Solent 2050 Strategy from the Executive and PWC. The Solent 2050 Strategy will be considered by the Board during February 2020 ahead of publication for consultation.</p> <p>Board Members:</p> <ul style="list-style-type: none"> • Noted the update in this report on the work that has been undertaken to develop a draft Solent 2050 Economic Strategy. • Considered an early draft Solent 2050 Economic Strategy document and provided advice to the Executive ahead of preparing the final draft strategy for Board consideration at their next meeting in March 2020; and • Noted that the executive will take forward a consultation on the proposed Solent 2050 strategy. <p style="text-align: center;">The session closed at 2.35 pm</p>	

09.03.2020

Item 4

Matters Arising - Management of Interests

Item 4
Title: Matter Arising - Management of Interests
Date: 9th March 2020
Purpose: For Decision

1. Background

At the January 2020 Board meeting, Board Members were provided with an update from the Solent LEP Executive and Company Secretary in relation to the management of interests in the context of the new HM Government Local Growth Assurance Framework, Company law and the Solent LEP Articles of Association.

At the meeting, Board Members agreed that in advance of the Board meeting on 9 March 2020, they would consider the Registers of Interest of board members (which can be accessed in the following link <https://solentlep.org.uk/who-we-are/solent-lep-board/board-biographies/>)

At the Board meeting on 9 March 2020, Board Members will be asked to;

- **Consider** the extent that any interests on the Register of Interests forms submitted by Directors give rise to situations in which those Directors have, or could have, a direct or indirect interest that conflicts with, or might possibly conflict with, the interests of the company (for the purposes of section 175 of the Companies Act 2006), and having considered whether authorisation of such possible conflicts is in the best interests of the company, to
- **Authorise** those potential conflict situations subject to the proviso that if any such possible conflict materialises as an actual conflict:
 - i. the conflicted director is **absent** from the part of the meeting at which there is discussion of any arrangement or transaction giving rise to the conflict;
 - ii. the conflicted director **does not vote** on any such matter and is not to be counted when considering whether a quorum of directors is present at the meeting.

2. Equality impact assessment

An EIA is not required at this stage. Any considerations contained within the management of interests that relate to items to be considered for a decision by the Solent LEP will remain subject to an appropriate EIA, and appropriate consultation, at such time they were to be considered.

3. Legal Implications

The LEP instructs Paris Smith to advise on constitutional matters. The recommendations contained within this report and the recommendations in terms of the constitutional requirements of the LEP as a legal entity have been reviewed by Paris Smith with confirmation that they are in line with the company constitutional documents.

4. Financial comments from the S151 Officer of the Accountable Body

There are no financial implications arising from the content of this report.

09.03.2020

Item 5

Finance and Funding Report

Item Number: 5
Item Title: Solent LEP Finance, Local Growth Deal and Retained Schemes update
Meeting Date: 9 March 2020
Purpose: For Information, Advice and Decision

Confidential information has been removed from this report.

Information defined as exempt in Part 1 of Schedule 12A to the Local Government Act 1972 has been removed from this report including:

- information relating to an individual, and/or;
- relating to the financial or business affairs of a particular person.

1. Introduction

- 1.1 This report provides the LEP Board with the financial position of all the LEP funds to 31 December 2019 which reflects an ongoing re-profiling of budgets further to reviews of the activity to date and this is reflected in the revised forecasts to the end of the 2019/20 financial year. It also shows the forecast budget for the period 2020/21 to 2021/22.
- 1.2 The opening budgets are as approved at the Board meeting on 13 December 2019 and the report sets out the projected outturn for the 2019/20 financial year, looking to maximise the expenditure on all of the time-limited funds and in particular the Local Growth Deal, from where the high value schemes are funded.
- 1.3 It explains any material forecast variances by exception, together with any mitigation proposals, and considers whether any likely underspends can and should be carried forward into the following financial year. The budget for future years also takes into account any known re-phasing of expenditure as individual schemes and programmes become more certain.
- 1.4 There are now only 13 months remaining of the current funding cycle so the potential to have to return any unspent funding to government is high and the ongoing management and mitigation of the key risks identified within the body of this report remains crucial.
- 1.5 The report also contains updates by exception on the Local Growth Deal (LGD) programme, including the schemes assigned retained funding via the Department for Transport (DfT).

2. Recommendations

- 2.1 It is recommended that the Board:
 - (i) Approve the revised budget for 2019/20 of £23,418,609 as set out in appendix A and the revised budget for the period 2020/21 to 2021/22 as set out in appendix B which includes the following:
 - The current position of the Growing Places Fund as summarised in appendix D;
 - The latest position of the LGD Fund for the current financial year as set out in appendix E, noting the challenges around future delivery as set out in paragraphs 6 and 7;
 - The re-profiling and budget movements as set out in the table in paragraph 5 overleaf.

The Board are also asked to:

- **Consider** and **Agree** the Corporate and Strategic Risk Register attached at appendix C.

- **Consider** the high level Risk Matrix for the Local Growth Programme attached at appendix F and delegate its **Approval** to the LEP Chief Executive and the Accountable Body's section 151 officer.
- **Note** the updates in relation to the LGD capital programme.
- **Note** the other project updates reported by exception in paragraph 8 of this report.
- **Note** the updates provided on the M27 J10 scheme and the Stubbington bypass scheme.
- **Approve** the request for a funding agreement variation for the North Whiteley project to enable drawdown of phases two and three ahead of completion of phase one and to **Delegate** the authority to complete this to the LEP Executive and the Accountable Body

3. Forecast Outturn 2019/20:

	£000's
Budget agreed at the LEP Board on 13 December 2019	41,999
<u>Re-profiling as follows:</u>	
Solent Prosperity Fund - SME Support (including digital capability funding)	(870)
Stubbington Bypass - LGD element	1,500
Stubbington Bypass - LGD (DfT Retained) element	(14,493)
Solent Prosperity Fund to re-allocate	(3,059)
Building Foundations for Growth Capital Grant for EZ	(418)
National Maritime Systems Centre	(756)
Operational Costs	(200)
Contingency / Reserves	(150)
Other minor variations	(134)
Forecast Outturn for 2019/20	23,419

3.1 This report contains the actual expenditure up to 31 December 2019 and the key movements following the last approval of the budget at the Board meeting on 13 December 2019.

3.2

The majority of the 2019/20 budget relates to the major LGD funded schemes and, to date, four large claims have been paid totalling £7.8m with further claims expected in the last quarter of the financial year.

A detailed analysis of the financial position and the forecast outturn for the current financial year is attached at appendix A.

4. Analysis of the Key Issues and Variances against the Approved Budget for 2019/20

The key issues and risks in respect of the budget are set out below.

4.1 Local Growth Deal 2019/20

The latest status of the overall LGD programme is set out in appendix E which clearly shows the latest position agreed by the LEP Board. In order to achieve maximum defrayal by 31 March 2021 and therefore mitigate the risk of returning any funding to Government there are a number of risks and mitigating actions set out in this report.

Table 1 below illustrates the approved LGD projects that are either continuing or commencing in 2019/20, whether they are in respect of open funding calls, under negotiation or at funding agreement stage. The sum of these projects is £38,539,872 which is an over-programming of £1,743,573 against the available LGD Capital Funding allocated to 31 March 2020.

Table 1: Approved LGD Capital projects and programmes continuing / commencing expenditure in 2019/20

Solent Growth Fund Programme - SME support (2019/20)	£350,000
Solent Growth Fund Programme Management Costs	£129,652
Local Growth Deal Programme Management	£263,220
Fareham College - Civil Engineering Training Centre	£2,833,000

<i>National Maritime Systems Centre</i>	£5,000,000
<i>Southampton Solent University - Warsash School of Maritime Science and Engineering</i>	£7,464,000
<i>Stubbington Bypass</i>	£8,500,000
<i>North Whiteley</i>	£14,000,000
Sub Total	£38,539,872
Under negotiation / due diligence with scheme promoters	
N/A	£0
Sub Total	£0
Solent Prosperity Fund	
<i>Solent Prosperity Fund Programme</i>	£0
Sub Total	£0
Total Programme Allocation (a)	£38,539,872
Solent Growth Deal Award 2019/20 (b)	£9,252,686
Carry Forward from LGD 2018/19 (c)	£27,543,613
Total LGD Capital Programme Funding 2019/20 (d) = (b) + (c)	£36,796,299
Balance / (over-programming) of LGD programme funding earmarked to projects starting in future years (e) = (d) - (a)	(£1,743,573)

The fund is proactively over-programmed against the cumulative LGD funding received to date which is forecast to be £1.6m by 31 March 2021. This forecast is based on assumptions made around some approved SME grants that are unlikely to be able to begin and therefore complete before the funding deadline of 31 March 2021. Should this change then the underwrite could increase however there is sufficient funding in the GPL Fund to cover this eventuality.

The FPPMG and LEP Board have always been prudent to ensure that there is a strong pipeline of projects should there be a situation where an approved project cannot deliver in the fund timescale. This over programming is currently being underwritten by funds set aside in the growing places loan fund.

Board members should also note, however, that the latest position in table 2 below shows that the forecast defrayal in the current year will be significantly lower, with a projected outturn of £15,503,937. As a result, £21,292,362 of the cumulative LGD funding received to date will need to be carried forward into the 2020/21 financial year which is the final year in which this funding can be spent.

The risks associated with this are explained further in paragraphs 6 and 7 below.

Table 2: Actual LGD Capital project and programme expenditure against the 2019/20 allocation

Solent Growth Fund Programme - SME support (2019/20)	£350,000
Solent Growth Fund Programme Management Costs	£129,652
Local Growth Deal Programme Management	£263,221
Southampton Solent University - Warsash School of Maritime Science and Engineering	£1,119,430
Fareham College - Civil Engineering Training Centre	£2,833,000
National Maritime Systems Centre	£2,564,664
Stubbington Bypass	£5,000,000
North Whiteley	£3,243,970
Sub Total	£15,503,937
Under negotiation / due diligence with scheme promoters	
N/A	£0
Sub Total	£0
Solent Prosperity Fund	
<i>Solent Prosperity Fund Programme</i>	£0
Sub Total	£0

Total Programme Allocation (a)	£15,503,937
Solent Growth Deal Award 2019/20 (b)	£9,252,686
Carry Forward from LGD 2018/19 (c)	£27,543,613
Carry Forward to LGD 2020/21 (d)	(£21,292,362)
Total LGD Capital Programme Funding 2019/20 (e) = (b) + (c) + (d)	£15,503,937
In year under / (over) allocation of LGD programme funding for approved and indicatively earmarked schemes (f) = (e) - (a)	£0

Cumulative Position of LGD Funding:

Based on the figures in table 3a below, the cumulative LGD expenditure up to and including 31 March 2020 is forecast to be £106.1m (83.3%) against a cumulative budget of £127.4m.

The main reason that the LGD contracted activity to 31 December 2019 is less than the cumulative grant received relates directly to the complex, multi-year transport schemes that have slipped across a number of financial years and remain the biggest risk to the overall budget, and also the need to consider full business case proposals coming forward to the Solent Prosperity Fund. An update on the status of these schemes is set out in paragraph 6 below and an update on the Solent Prosperity Fund will be provided under item 4.

It should also be noted that some of the schemes in the capital programme for 2019/20 will continue into 2020/21.

It is, therefore, proposed to re-profile this funding into 2020/21 to ensure that we continue to monitor expenditure against the most realistic budget position.

Table 3a: Local Growth Deal Summary of Expenditure vs Allocation in Year to 31 March 2020

	Actual 2015/16 £	Actual 2016/17 £	Actual 2017/18 £	Actual 2018/19 £	Forecast 2019/20 £	Total Cumulative Forecast to 31 March 2020 £	Cumulative Spend vs Allocation to 31 March 2020
LGD Expenditure	38,833,432	37,807,314	8,312,999	5,654,531	15,503,937	106,112,213	83.3%
LGD Allocation	40,391,667	42,640,334	24,302,028	10,817,860	9,252,686	127,404,575	
Over / (Under) Spend against Allocation	(1,558,235)	(4,833,020)	(15,989,029)	(5,163,329)	6,251,251	(21,292,362)	

In terms of cumulative LGD contracted activity up to and including 31 December 2019, the figures in table 3b below, show a 91.6% commitment against a total cumulative budget of £127.4m.

Table 3b: Local Growth Deal Summary of Contracted Activity vs Allocation in Year to 31 March 2020

	Actual 2015/16 £	Actual 2016/17 £	Actual 2017/18 £	Actual 2018/19 £	Forecast 2019/20 £	Total Cumulative Forecast to 31 March 2020 £	Cumulative Contracted Activity vs Allocation to 31 March 2020
LGD Expenditure	38,833,432	37,807,314	8,312,999	5,654,531	26,116,596	116,724,872	91.6%
LGD Allocation	40,391,667	42,640,334	24,302,028	10,817,860	9,252,686	127,404,575	
Over / (Under) Spend against Allocation	(1,558,235)	(4,833,020)	(15,989,029)	(5,163,329)	16,863,910	(10,679,703)	

5. Budget movements

An analysis of the LEP's forecast expenditure for 2019/20 and the period 2020/21 to 2021/22 together with how this is funded is attached at appendix B. The details of the re-profiling of budgets that have taken place since the Board last approved the budget are shown in the table below:

Table 4: Budget movements

	Previous Years to 2018/19	2019/20 £000's	2020/21 £000's	2021/22 £000's	Total £000's
Budget Agreed at LEP Board 13th December 2019	141,890	41,999	53,076	10,758	247,723
Re-profiling as follows:					
SPF - SME Support transfer to SPF Large Projects		(770)	(2,922)		(3,692)
SME - post BREXIT support			1,000		1,000
SPF - Loan Funding				3,064	3,064
Programme management costs for GPL and LGD in 2020/21				350	350
Stubbington Bypass - remove GPL indemnity			(5,000)		(5,000)
GPL - LGD over programming cover			1,586		1,586
Fareham and Gosport Dualling - return of underspend			(270)		(270)
Newgate Lane South - return of underspend			(500)		(500)
Stubbington Bypass - LGD allocation		1,500	7,000		8,500
Stubbington Bypass - LGD allocation (DfT retained element)		(14,493)	14,493		0
A326 Highways Improvements (new SPF scheme)			5,680		5,680
IOW Island Line (new SPF scheme)			700		700
Unallocated SPF transferred to approved projects		(2,723)	(5,592)		(8,315)
LGD Over programming			(1,586)		(1,586)
Local Large Infrastructure Investment balance transferred to new SPF schemes		(336)	(300)		(636)
Building Foundations for Growth (EZ)		(418)	418		0
National Maritime Systems Centre		(756)	756		0
BAE Maritime and Test Bed - repayment of grant			(457)		(457)
Operational Costs - Reserves / Contingency		(150)	150		0
Solent 2050 / Strategy Planning		(200)	200		0
Other miscellaneous movements		(234)	(362)	196	(400)
Revised Budget	141,890	23,419	68,046	14,368	247,723
Cumulative Net GPL Fund Reserve Balance (see appendix D for details)		11,620	12,719	0	

6. Local Growth Deal (including Retained Schemes) - 2019/20 onwards

The LGD continues to be the area of the highest financial risk in relation to defrayal of funding by 31 March 2021 for the LEP. Appendix E sets out the latest LGD position, showing the latest re-profiling between financial years and highlights for FFPMG members where the differences in funding available and schemes readiness to incur expenditure occur.

At the December meeting of the Board it was agreed to combine the residual budget allocations for SME Support, Local Large Major infrastructure appraisals, previous project underspends and the allocation for the Solent Prosperity Fund and use this to fund the following:

- LGD element of Stubbington Bypass (£8.5m);
- New Prosperity Fund Schemes - A326 Highways Improvements (£5.7m) and IOW Island Line - Brading Loop (£700k)
- SME support following Brexit (£1m)

The Board also agreed that this would result in an over-programming of the LGD and so this is being under-written by the Growing Places Loan Fund (GPL). Based on the expenditure to the end of quarter 3 2019/20 there is a remaining balance of c £74m of LGD (whether allocated to the LEP directly or retained by the DfT) to be defrayed which is a significant challenge. Having said this the balance is largely made up of schemes that are either contracted and in the delivery phase or where funding agreements are being drawn up with start on site expected in 2020/21.

The M27 Junction 10 scheme remains the highest risk due to the complexity of the project and further information is provided below at (c).

A High Level Delivery Risk Matrix is attached at appendix F, highlighting the current risk status of each LGD project.

a. Quarter 3 2019/20 Growth Deal Data Submission

In line with published guidance alongside the quarterly monitoring report (QMR) for DfT we are required to submit a quarterly data return to MHCLG for the growth deal. In accordance with the agreed process this has been reviewed by the FFPMG and then signed off by the LEP Chief Executive and the Accountable Body's section 151 officer and submitted to MHCLG ahead of the deadline of 21 February 2020.

b. Independent Review of LGD Projects

Aligned to the APR activity, work has been ongoing within the Executive to commission an independent review of all LGD funded projects which are suitably advanced in their delivery. This review will focus on the "Business Case and Benefits Management" component of the OGC Gateway Review 5¹ process, and aims to establish:

- The benefits realised by the projects so far (compared to those stated in their original business plan) and their economic value to the Solent LEP area;
- The outlook for the projects' continued performance over the longer term;
- Any unforeseen / wider impacts.

Given their expertise in this area, and their in-depth knowledge of the individual business cases for the LGD projects, AECOM have been commissioned to undertake this work, and a project inception meeting was held on 17 January 2020. Work will continue throughout Q4 2019/20, with a progress update scheduled to be provided by AECOM for this meeting of the Board with the draft initial report will follow in Spring 2020. This in turn will be considered by the Solent Growth Forum and FFPMG, ahead of going to the board for consideration and approval.

c. M27 Junction 10

The Board considered a detailed update on the M27 Junction 10 project at its meeting on 17 January 2020, and agreed the quarter three Quarterly Monitoring Report (QMR) for submission to Government.

Board will note that £4.65m has been advanced by the LEP from the Solent Growth Deal funding (retained by DfT) to fund the development of the Full Business Case (FBC) and site preparation works. Following the Queens speech in December 2019, which outlined the government intention to bring forward a £10bn Single Housing Infrastructure Fund, the LEP Board has agreed to make up to £2m additional funding available from the remaining £10m Solent Growth Deal funding retained by DfT to provide the scheme promoter for the development phase (HCC) that sufficient funding is in place to complete the FBC and site preparation works and ensure that the scheme remains well placed to secure the funding it needs to proceed.

The M27 Junction 10 Steering Group took place on the 4th February and a meeting between local partners and the Secretary of State for the Ministry of Housing, Communities and Local Government (MHCLG) took place on the 12th February 2020. A verbal update on both meetings will be provided at the Board meeting.

d. Stubbington Bypass

The funding agreement for the £25.5m DfT grant and the £8.5m LGD allocation for this project was signed in September 2019 and good progress is being made with a formal start on site commencing on 27 January 2020. The DfT have also released the full £25.5m of the retained element of the funding to the Accountable Body. The LEP Executive and Accountable Body are monitoring the scheme closely due to its significant size and funding profile, and are working closely with colleagues at Hampshire County Council (HCC) in order that the required funding is readily available to be drawn down by HCC to ensure that significant contracts can be let and work can continue at pace and uninterrupted.

e. North Whiteley

Scheme delivery is advanced, and the first claim for £1.9m was paid on 23 December 2019. Monthly progress meetings of all consortium members continue to be held, and these are attended by the LEP's Assistant Director of Programme Delivery and Accountable Body S151 officer. These meetings are crucial as, with £14m of LGD funding to defray prior to 31 March 2021, there is very little room for slippage in funding draw down. The poor weather experienced throughout

¹ [OGC \(2007\) OGC Gateway Process Review 5: Operations review and benefits realisation](#)

Q3 2019/20 did have an impact on the delivery of highways infrastructure for Phase One; this risk was mitigated by bringing forward delivery of Phases Two and Three of the scheme.

As the scheme is progressing at pace, the board will be asked to consider a variation to the funding agreement to reflect the changes in delivery for phase one and the acceleration of phase two and three.

The LEP Board are therefore are asked to **Consider** and **Approve** the request for a funding agreement variation to enable drawdown of phases two and three ahead of completion of phase one and to **Delegate** the authority to complete this to the LEP Executive and the Accountable Body

7. Risk of Returning Funding to Government

As the Board are aware, the deadline of 31 March 2021 for the defrayal of the LGD grant allocations is fast approaching with only 13 months remaining to fully defray all funding and the main risks are highlighted in this report and the risk register at appendix F.

The Board will need to continue to take proactive action to ensure that funds are spent with regularity and propriety, that they secure value for money for the public purse and ultimately reduce the risk of having to return any funding to Government whilst at the same time not risk losing investment opportunities for the area.

The Board have already acknowledged that further decisions on which new projects to prioritise for funding should be made by the end of Quarter one 2020/21, in order to ensure that there is enough time remaining to contract with projects that can deliver in the very tight timescales remaining.

8. Other Project Updates reported by exception

a. Local Growth Deal 2016/17 legacy project - Floating Bridge

Further to the update provided at the December Board meeting, the variation approved by the Board has been executed by the accountable body, and has been signed by the Isle of Wight Council.

b. Local Growth Deal 2016/17 legacy project - National Marine Autonomy Centre (BAE Systems)

Further to the update provided at the December Board meeting the Accountable Body's legal representative have written to BAE to establish a meeting date to consider the status of this project further and a verbal update will be provided at the meeting.

9. Operational Costs and Capacity Funding

The Accountable Body reviews the status of these budgets with the LEP Executive on an ongoing basis and the revised forecasts show where funds have been re-profiled across financial years.

As part of this process any potential calls on the contingency and reserves budget have been reviewed and at this stage of the year it is felt prudent to re-profile £150,000 of this budget to future years where it remains available to fund any future activity or requirements as they arise.

As it is inevitable that there will be a need to continue to manage the LGD and the GPL fund into 2021/22, provision has been made from within the GPL fund residual balance to enable this. As the final year of the funding window progresses it may be possible to fund this expenditure from other sources however at this stage it is important to identify budget provision for these activities.

Wherever possible the staffing costs of the LEP are charged directly to the programme management elements of the major funding streams, funded from specific initiatives such as the Growth Hub and the Enterprise Advisor Programme with the residue being covered from the core funding provided by Government for these costs as well as the interest earned on funds before they are defrayed. At present the staffing costs that aren't recharged directly to programmes total 1.7% of the overall budget which is considered a very low proportion and a review is underway to ensure that executive capacity is maintained and strengthened to ensure it can deliver on the obligations of the LEP as set down by the Board and HM Government.

10. Financial Summary

The latest forecast outturn for the LGD programme for 2019/20 is set out in appendix A with the future years forecasts shown in appendix B with the main financial risks set out above in paragraphs 6 and 7 and in the risk register at appendix F

The Board are reminded that there are now only 13 months in which to defray the funding and therefore proactive decisions will need to be taking at the earliest possible stage to help maximise the defrayal of expenditure within the timelines set by Government

11. Summary of Recommendations

11.1 It is recommended that the Board:

- (ii) Approve the revised budget for 2019/20 of £23,418,609 as set out in appendix A and the revised budget for the period 2020/21 to 2021/22 as set out in appendix B which includes the following:
- The current position of the Growing Places Fund as summarised in appendix D;
 - The latest position of the LGD Fund for the current financial year as set out in appendix E, noting the challenges around future delivery as set out in paragraphs 6 and 7;
 - The re-profiling and budget movements as set out in the table in paragraph 5 overleaf.

The Board are also asked to:

- **Consider** and **Agree** the Corporate and Strategic Risk Register attached at appendix C.
- **Consider** the high level Risk Matrix for the Local Growth Programme attached at appendix F and delegate its **Approval** to the LEP Chief Executive and the Accountable Body's section 151 officer.
- **Note the updates in relation to the LGD capital programme.**
- **Note** the other project updates reported by exception in paragraph 8 of this report.
- **Note** the updates provided on the M27 J10 scheme and the Stubbington bypass scheme.
- **Approve** the request for a funding agreement variation for the North Whiteley project to enable drawdown of phases two and three ahead of completion of phase one and to **Delegate** the authority to complete this to the LEP Executive and the Accountable Body

12. Equality impact assessment

EIA not required for note items. In relation to LEP funding for projects, an EIA has been prepared in relation to the Solent Prosperity Fund and this is provided under item 4 (which relates specifically to this funding programme), and it is considered that there are no negative impacts on groups identified in the EIA.

13. Legal implications

With reference to:-

- i.* The recommendation to consider and agree the Corporate Strategy Risk Register attached at appendix C - any action taken as a result will be in line with the internal SLEP delegation policy and reviewed by the relevant (Accountable body) legal officer as and when required.
- ii.* The consideration and delegation for approval to the LEP Chief Executive and Accountable Body s.151 officer of the high level Risk Matrix for the Local Growth Programme attached at appendix F. Any legal consideration arising out of enforcement or monitoring provisions as a result of the risk review will be reviewed by legal in line with the relevant Grant Letters as and when required.
- iii.* Any consideration of the scenario options regarding the maximum defrayal of the LGD funding. Legal considerations in terms of deliverables to secure defrayal will be reviewed by legal as and when necessary.

14. Financial comments from the S151 Officer of the Accountable Body

All of the financial information and associated implications are reflected in the body of the report and the Appendices.

SOLENT LOCAL ENTERPRISE PARTNERSHIP - FORECAST OF OUTTURN FOR 2019/20

Enterprise (Business Support)	Full Year Budget 2019/20*	Actual Expenditure up to 31 December 2019	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 20 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2020/21	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Local Growth Deal Funding:							
SME Support - Solent Prosperity Fund	1,000,000	458,600	229,651	(770,349)	(770,349)	0	0
ERDF BTG - Awards (ERDF Funded)	0	84,179	0	0	0	0	0
Natural Enterprise Grant Programme	250,000	250,000	250,000	0	0	0	0
Other Enterprise Initiatives:							
Solent Growth Hub	286,089	160,829	230,000	(56,089)	(56,089)	0	0
SME Support - Business Intelligence and Readiness	96,000	40,889	96,000	0	0	0	0
Improving Digital Capability for SME's	100,000	0	0	(100,000)	(100,000)	0	0
Enterprise Total	1,732,089	994,497	805,651	(926,438)	(926,438)	0	0

Infrastructure (Land & Property)	Full Year Budget 2019/20*	Actual Expenditure up to 31 December 2019	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 20 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2020/21	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
GPL Contingency Provisions and Programme Management costs							
Growing Places Loan Fund Programme Management Costs	40,000	24,717	40,000	0	0	0	0
Sub-total: GPL Contingency Provisions and Programme Management costs	40,000	24,717	40,000	0	0	0	0
Solent Growth Deal:							
North Whiteley Transport Improvements	3,243,970	1,905,281	3,243,970	0	0	0	0
Local Large Major transport schemes and infrastructure investment	336,283	0	0	(336,283)	(336,283)	0	0
Programme Development Fund (feasibilities)	223,500	0	0	(223,500)	(223,500)	0	0
Solent Growth Deal - Programme Management Costs	263,221	207,865	263,221	0	0	0	0
Stubbington Bypass - LGD forward funding	3,500,000	3,500,000	5,000,000	1,500,000	1,500,000	0	0
Solent Prosperity Fund	2,500,000	0	0	(2,500,000)	(2,500,000)	0	0
(Over) / Under Programming	0	0	0	0	0	0	0
Sub-total - Local Growth Deal	10,066,974	5,613,146	8,507,191	(1,559,783)	(1,559,783)	0	0
DfT Retained Schemes							
Stubbington Bypass	17,500,000	0	3,007,000	(14,493,000)	(14,493,000)	0	0
Growth deal provisional allocation for M27 Junction 10 (post 2016)	2,500,000	2,500,000	2,500,000	0	0	0	0
Sub-total - DfT Retained Schemes	20,000,000	2,500,000	5,507,000	(14,493,000)	(14,493,000)	0	0
Other Capital Funding Programmes:							
Building Foundations for Growth Capital Grant for EZ	417,783	0	0	(417,783)	(417,783)	0	0
Other Infrastructure Funding:							
Capacity funding	187,816	107,014	145,000	(42,816)	(42,816)	0	0
Transport Delivery Excellence Funding	52,000	0	52,000	0	0	0	0
Energy strategy	1,029	0	1,029	0	0	0	0
Infrastructure (Land & Property) Total	30,765,602	8,244,877	14,252,220	(16,513,382)	(16,513,382)	0	0

Place	Full Year Budget 2019/20*	Actual Expenditure up to 31 December 2019	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 20 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2020/21	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Capacity Funding	85,303	58,691	85,303	0	0	0	0
Place Total	85,303	58,691	85,303	0	0	0	0

Skills	Full Year Budget 2019/20*	Actual Expenditure up to 31 December 2019	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 20 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2020/21	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
City Deal Wave 2:							
Fareham College - Civil Engineering Training Centre	2,833,000	2,402,418	2,833,000	0	0	0	0
Capacity funding	100,000	73,413	100,000	0	0	0	0
Solent Employer Ownership Programme	46	0	46	0	0	0	0
Careers Enterprise Company / Enterprise Adviser Network	346,000	177,178	316,000	(30,000)	(30,000)	0	0
Careers Enterprise Company / Enterprise Adviser Network - Programme Management	0	13,772	0	0	0	0	0
Skills Total	3,279,046	2,666,781	3,249,046	(30,000)	(30,000)	0	0
Strategic Sectors	Full Year Budget 2019/20*	Actual Expenditure up to 31 December 2019	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 20 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2020/21	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
National Maritime Systems Centre	3,320,666	0	2,564,664	(756,002)	(756,002)	0	0
Southampton Solent University - Warsash School of Maritime Science and Engineering	1,119,430	0	1,119,430	0	0	0	0
Martime UK Solent: Capacity Funding	59,557	66,961	59,557	0	0	0	0
Strategic Sectors Total	4,499,653	66,961	3,743,651	(756,002)	(756,002)	0	0
Innovation	Full Year Budget 2019/20*	Actual Expenditure up to 31 December 2019	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 20 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2020/21	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Innovation Fund - Programme Management	0	0	0	0	0	0	0
Capacity Funding	10,000	42	5,000	(5,000)	(5,000)	0	0
Innovation Total	10,000	42	5,000	(5,000)	(5,000)	0	0
Operational Central Costs	Full Year Budget 2019/20*	Actual Expenditure up to 31 December 2019	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 20 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2020/21	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Staffing costs	500,000	392,197	500,000	0	0	0	0
Office costs	95,000	39,191	80,000	(15,000)	0	(15,000)	0
Finance costs including forecast costs for Democratic Services for future years	80,000	64,107	80,000	0	0	0	0
Legal support	50,000	52,906	65,000	15,000	0	15,000	0
Marketing & Communication costs	100,000	90,992	100,000	0	0	0	0
Contingency / Reserves	300,000	0	150,000	(150,000)	(150,000)	0	0
Solent 2050	469,086	109,798	269,086	(200,000)	(200,000)	0	0
SEEDA legacy funding for business engagement	31,396	0	31,396	0	0	0	0
LEP Network	2,256	7,000	2,256	0	0	0	0
Operational Central Costs Total	1,627,738	756,192	1,277,738	(350,000)	(350,000)	0	0
Total LEP Budget	41,999,431	12,788,041	23,418,609	(18,580,822)	(18,580,822)	0	0

* As agreed at LEP Board 13th December 2019

SOLENT LOCAL ENTERPRISE PARTNERSHIP - BUDGET FORECAST TO 2021/22

ENTERPRISE (BUSINESS SUPPORT)		Actual Expenditure to end 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Total Budget	Total Forecast Expenditure	Variance
Solent RGF - Bridging the Gap:								
Awards		4,950,716	-	-	-	4,950,716	4,950,716	-
Due Diligence		381,906	-	-	-	381,906	381,906	-
RGF Solent EZ expansion Fund - Gosport Borough Council - Fund		800,000	-	-	-	800,000	800,000	-
RGF Solent EZ expansion Fund - Gosport Borough Council - Due Diligence		82,105	-	-	-	82,105	82,105	-
RGF 3 IOW Private Sector Support - Fund		475,000	-	-	-	475,000	475,000	-
RGF 3 IOW Private Sector Support - Due Diligence		110,202	-	-	-	110,202	110,202	-
Solent Growth Fund (Growth deal - 2015/16 to 2021) / - SME Support from Solent Prosperity Fund (2018/19 to 2020/21)		1,796,112	100,000	-	-	1,896,112	1,896,112	-
SME Support (transition)		-	-	1,000,000	-	1,000,000	1,000,000	-
Repayment of ERDF Funded Grant Awards to DCLG		7,412	84,446	-	-	91,858	91,858	-
ERDF BTG - Awards (ERDF Funded)		84,446	(84,446)	-	-	(0)	(0)	-
ERDF BTG - Awards (LGD Match Funded)		-	-	-	-	0	0	-
Natural Enterprise Grant Programme		830,000	250,000	-	-	1,080,000	1,080,000	-
Matched funding for ERDF Growth Accelerator Fund		-	-	-	-	0	0	-
Solent Growth Fund (Growth deal - 2015/16 to 2021) - Programme Management		620,349	129,651	150,000	-	900,000	900,000	-
Solent Growth Hub (Growth deal - 2015/16 to 2021)		916,477	230,000	230,000	126,089	1,502,566	1,502,566	-
SME Support - Business Intelligence and Readiness		-	96,000	-	-	96,000	96,000	-
Improving Digital Capability for SME's (LGD funded 2019/20 onwards via Solent Prosperity Fund)		112,502	-	-	-	112,502	112,502	-
Enterprise Total		11,167,227	805,651	1,380,000	126,089	13,478,967	13,478,967	-
INFRASTRUCTURE (Land & Property)		Actual Expenditure to end 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Total Budget	Total Forecast Expenditure	Variance
Growing Places Fund: Original Capital Allocation								
CEMAST		3,000,000	-	-	-	3,000,000	3,000,000	-
Solent EZ Infrastructure package		8,000,000	-	-	-	8,000,000	8,000,000	-
Griffon Hoverwork		2,000,000	-	-	-	2,000,000	2,000,000	-
Stubbington Bypass		-	-	-	-	0	0	-
Solent Shared Prosperity Fund (loan element)		-	-	-	12,326,786	12,326,786	12,326,786	-
Growing Places Loan Fund: Capital Loans Advanced / Available		13,000,000			12,326,786	25,326,786	25,326,786	-
Grants allocated (not repayable)								
Stubbington Bypass indemnity		-	-	-	-	0	0	-
Funding set aside to underwrite LGD overprogramming if required		-	-	1,586,130	-	1,586,130	1,586,130	-
Use of Fund for other Purposes (not repayable):								
- Growing Places Loan Fund Programme Management Costs		168,857	40,000	91,143	150,000	450,000	450,000	-
Growing Places Loan Fund: Fund used and not repayable		168,857	40,000	1,677,273	150,000	2,036,130	2,036,130	-

Solent Growth Deal confirmed funding:							
The Hard Interchange (PCC)	4,832,000	-	-	-	4,832,000	4,832,000	-
Dunsbury Hill Farm Link Road (PCC)	4,540,000	-	-	-	4,540,000	4,540,000	-
Station Quarter North (SCC)	4,185,000	-	-	-	4,185,000	4,185,000	-
Station Roundabout / Gudge Heath Lane (HCC)	4,953,893	-	-	-	4,953,893	4,953,893	-
Environmental Mitigation - Solent Mitigation Disturbance project	1,355,000	-	-	-	1,355,000	1,355,000	-
Peel Common Roundabout and St Margarets Roundabout	4,340,000	-	-	-	4,340,000	4,340,000	-
Newgate Lane South	9,000,000	-	(500,000)	-	8,500,000	8,500,000	-
Fareham and Gosport multiyear programme (A27 Dualling - phase 2)	3,198,000	-	-	-	3,198,000	3,198,000	-
Fareham and Gosport multiyear programme (A27 Dualling)	4,127,000	-	(270,000)	-	3,857,000	3,857,000	-
Solent Gateways (Isle of Wight Floating Bridge)	3,776,782	-	-	-	3,776,782	3,776,782	-
North Whiteley Transport improvements	-	3,243,970	10,756,030	-	14,000,000	14,000,000	-
Local Large Major transport schemes and infrastructure investment	363,717	-	-	-	363,717	363,717	-
Programme Development Fund (feasibilities)	-	-	-	-	0	0	-
Fareham and Gosport Multi Year Programme - Design and Construction of Junction 10	-	-	14,150,000	-	14,150,000	14,150,000	-
Stubbington Bypass - LGD forward funding	3,500,000	5,000,000	-	-	8,500,000	8,500,000	-
Solent Growth Deal - Programme Management Costs	1,449,303	263,221	165,778	200,000	2,078,302	2,078,302	-
A326 Highway Improvements	-	-	5,680,000	-	5,680,000	5,680,000	-
IOW Island Line - Brading Loop	-	-	700,000	-	700,000	700,000	-
Solent Prosperity Fund	-	-	-	-	0	0	-
Accountable Body Capital Expenditure (Funded by LGD to maximise use of LGD)	1,000,000	-	-	-	1,000,000	1,000,000	-
LGD funding approved for projects / programmes in future years	-	-	(1,586,130)	-	(1,586,130)	(1,586,130)	-
LGD funding indicatively earmarked for projects in future years	-	-	-	-	0	0	-
SUB TOTAL: Solent Growth Deal:	50,620,695	8,507,191	29,095,678	200,000	88,423,564	88,423,564	-
DfT Retained Schemes							
Stubbington Bypass	-	3,007,000	22,492,000	-	25,499,000	25,499,000	-
Stubbington Bypass - Programme Management Costs	-	-	201,000	-	201,000	201,000	-
Growth deal provisional allocation for M27 Junction 10 (post 2016)	2,150,000	2,500,000	10,250,000	-	14,900,000	14,900,000	-
SUB TOTAL: DfT Retained Schemes:	2,150,000	5,507,000	32,943,000	-	40,600,000	40,600,000	-
Building Foundations for Growth Capital Grant for EZ	6,672,217	-	417,783	-	7,090,000	7,090,000	-
Centenary Quay (DCLG Infrastructure House Building Capital Fund)	7,675,921	-	-	-	7,675,921	7,675,921	-
Capacity Funding	287,184	145,000	42,816	-	475,000	475,000	-
One Public Estate	19,950	-	-	-	19,950	19,950	-
Transport Delivery Excellence Funding	-	52,000	-	-	52,000	52,000	-
Energy Strategy	48,971	1,029	-	-	50,000	50,000	-
Infrastructure (Land & Property) Total	80,643,795	14,252,220	64,176,550	12,676,786	171,749,351	171,749,351	-

PLACE	Actual Expenditure to end 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Total Budget	Total Forecast Expenditure	Variance
Capacity funding	249,697	85,303	-	-	335,000	335,000	-
Place Total	249,697	85,303	0	0	335,000	335,000	-

SKILLS	Actual Expenditure to end 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Total Budget	Total Forecast Expenditure	Variance
CEMAST - Fareham College	3,000,000	-	-	-	3,000,000	3,000,000	-
CEMAST - Due Diligence	63,780	-	-	-	63,780	63,780	-
<u>Solent Growth deal FE Capital (2015/16 - 2021)</u>							
Eastleigh College Estates Renewal	9,000,000	-	-	-	9,000,000	9,000,000	-
IOW College Composites Centre	10,900,000	-	-	-	10,900,000	10,900,000	-
BAE Marine Workshops and Maritime Support Centre	943,066	-	-	-	943,066	943,066	-
Fareham College - Civil Engineering Training Centre	-	2,833,000	-	-	2,833,000	2,833,000	-
Capacity funding	306,031	100,000	106,107	50,000	562,138	562,138	-
Solent Employer Ownership Programme	1,499,954	46	-	-	1,500,000	1,500,000	-
Solent Employer Ownership Programme - Local Growth Deal contribution	129,000	-	-	-	129,000	129,000	-
Careers Enterprise Company / Enterprise Adviser Network	504,886	316,000	340,114	-	1,161,000	1,161,000	-
Skills Total	26,346,717	3,249,046	446,221	50,000	30,091,984	30,091,984	-

STRATEGIC SECTORS	Actual Expenditure to end 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Total Budget	Total Forecast Expenditure	Variance
<u>Solent Futures RGF Round 3:</u>							
Training Scheme - Awards	1,300,000	-	-	-	1,300,000	1,300,000	-
Training Scheme - Due Diligence	159,000	-	-	-	159,000	159,000	-
Supply Chain - Awards	1,179,419	-	-	-	1,179,419	1,179,419	-
Supply Chain - Due Diligence	117,000	-	-	-	117,000	117,000	-
National Maritime Systems Centre	1,679,334	2,564,664	756,002	-	5,000,000	5,000,000	-
Southampton Solent University - Warsash School of Maritime Science and Engineering	6,344,570	1,119,430	-	-	7,464,000	7,464,000	-
<u>MARITIME UK SOLENT</u>							
Capacity funding	200,443	59,557	50,000	50,000	360,000	360,000	-
Strategic Sectors Total	10,979,766	3,743,651	806,002	50,000	15,579,419	15,579,419	-

INNOVATION	Actual Expenditure to end 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Total Budget	Total Forecast Expenditure	Variance
Fareham Innovation Centre - Phase 2	2,000,000	-	-	-	2,000,000	2,000,000	-
Cancer Immunology Centre	4,500,000	-	-	-	4,500,000	4,500,000	-
Innovation Fund - Programme Management Costs	238,518	-	-	-	238,518	238,518	-
Local Growth Deal Fund - Innovation Projects	-	-	-	-	-	-	-
University of Portsmouth Future Technology Centre (LGD contribution)	1,050,000	-	-	-	1,050,000	1,050,000	-
BAE Maritime and Test Bed	456,633	-	(456,633)	-	0	0	-
UoS - Web Science (Z21)	500,000	-	-	-	500,000	500,000	-
Capacity Funding	86,493	5,000	88,507	-	180,000	180,000	-
Innovation	8,831,644	5,000	(368,126)	0	8,468,518	8,468,518	0

OPERATIONAL CENTRAL COSTS	Actual Expenditure to end 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Total Budget	Total Forecast Expenditure	Variance
Staffing costs	1,557,990	500,000	500,000	450,000	3,007,990	3,007,990	-
Office costs	520,083	80,000	95,000	80,000	775,083	775,083	-
Finance costs incl forecast costs for Democratic Services for future years	367,691	80,000	80,000	60,000	587,691	587,691	-
Legal support	189,484	65,000	70,000	50,000	374,484	374,484	-
Marketing & Communication costs	336,427	100,000	100,000	100,000	636,427	636,427	-
Contingency / Reserves	-	150,000	450,000	564,713	1,164,713	1,164,713	-
Solent 2050	669,904	269,086	301,027	150,000	1,390,017	1,390,017	-
SEEDA legacy funding for business engagement	-	31,396	-	-	31,396	31,396	-
LFP Network	30,000	2,256	10,000	10,000	52,256	52,256	-
Operational Central Costs Total	3,671,579	1,277,738	1,606,027	1,464,713	8,020,057	8,020,057	-

LEP BUDGET GRAND TOTAL		Actual Expenditure to end 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Total Budget	Total Forecast Expenditure	Variance
		141,890,424	23,418,609	68,046,674	14,367,588	247,723,295	247,723,295	-
FUNDING SUMMARY		Actual Expenditure to end 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Total Budget		
Bridging the Gap Phase 1	1,969,678	-	-	-	1,969,678			
Bridging the Gap ERGF (Solent Wide)	1,387,307	-	-	-	1,387,307			
Bridging the Gap Phase 2	1,881,981	-	-	-	1,881,981			
RGF Solent EZ expansion Fund - Gosport Borough Council	882,105	-	-	-	882,105			
RGF 3 IOW SME Support Fund	585,202	-	-	-	585,202			
Solent Growth Deal	90,608,277	15,503,937	30,545,048	-	136,657,262			
Temporary Local Growth Deal Switch with PCC Capital Resources	1,000,000	-	-	-	1,000,000			
DfT Funding for Retained Schemes	2,150,000	5,507,000	32,943,000	-	40,600,000			
DCLG Infrastructure House Building Capital Fund (CQ)	7,675,921	-	-	-	7,675,921			
Solent Growth Hub	865,000	205,000	205,000	-	1,275,000			
Solent Futures RGF Round 3	2,912,855	-	-	-	2,912,855			
Growing Places Fund - Revenue	465,949	233,258	485,473	230,000	1,414,680			
Growing Places Fund - Capital	13,000,000	-	-	12,326,786	25,326,786			
Growing Places Fund - Contingency Provisions and Programme Management Costs	828,350	1,090,067	2,102,273	391,735	4,412,425			
Solent Futures	3,000,000	-	-	-	3,000,000			
Solent Employer Ownership Programme (Wave 2 City Deal)	1,499,954	46	-	-	1,500,000			
The Careers & Enterprise Co. - Enterprise Adviser Network	267,000	158,000	221,000	-	646,000			
Enterprise Advice Network - Matched Funding (Interest Earned)	237,886	158,000	119,114	-	515,000			
Cabinet Office - One Public Estate	19,950	-	-	-	19,950			
Enterprise Zone Capital Grant	6,672,217	-	417,783	-	7,090,000			
DfT - LTB Funding	131,580	-	-	-	131,580			
SEP	646,619	22,420	230,961	-	900,000			
Transport Excellence	36,000	-	-	-	36,000			
BIS - Capacity Fund	427,232	112,138	137,430	150,000	826,800			
BIS - Core Funding	951,208	157,431	561,361	205,000	1,875,000			
LEP Review - Core Funding	200,000	-	-	200,000	400,000			
PUSH	30,000	-	-	-	30,000			
SME Support - Business Intelligence and Readiness	-	96,000	-	-	96,000			
Growing Places Capital - CEMAST admin fee	75,000	-	-	-	75,000			
LEP Network	13,900	-	-	-	13,900			
Interest earned on funding yet to pay out	718,426	25,888	78,231	864,068	1,686,613			
Local Authority Funding - PUSH, Hampshire & IOW	300,000	-	-	-	300,000			
SEEDA legacy funding for business engagement	168,604	31,396	-	-	200,000			
BIS - Digital Capability for SME's	141,396	-	-	-	141,396			
Transport Delivery Excellence Funding	-	42,000	-	-	42,000			
Energy Strategy Funding (BEIS)	48,971	1,029	-	-	50,000			
Skills Advisory Panel	-	75,000	-	-	75,000			
ERDF Funding - Revenue Funding funded from Interest	7,412	84,446	-	-	91,858			
ERDF Funding - Bridging the Gap (matched funding SGF)	84,446	(84,446)	-	-	(0)			
Grant Total - Funding	141,890,424	23,418,609	68,046,674	14,367,588	247,723,295			
Growing Places Fund - Forecast Reserve for Future Projects			Budget 2019/20	Budget 2020/21	Budget 2021/22	Total Budget		
Net Cumulative Growing Places Reserve Forecast - see appendix D for details			11,620,794	12,718,521	(0)	(0)		
TOTAL FUNDING TO SUPPORT LEP ACTIVITY						247,723,295		

APPENDIX C

Corporate and Strategic Risk Register

A confidential report will be considered at the meeting

GROWING PLACES LOAN FUND POSITION

Fund Activity	2013/14 £	2014/15 £	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	Total £
Opening Balance	0	(10,064,210)	(5,889,210)	(9,108,371)	(10,214,945)	(12,315,855)	(12,710,861)	(11,620,794)	(12,718,521)	
Capital Injection	(16,739,210)									(16,739,210)
<u>Loans Out (Round 1 - tranches 1 to 4):</u>										
CEMAST	2,175,000	825,000								3,000,000
Solent EZ Infrastructure package	4,500,000	3,500,000								8,000,000
Griffon Hoverwork		1,000,000	1,000,000							2,000,000
<u>Subsequent Allocations:</u>										
<u>New Solent Shared Prosperity Fund (loan element)</u>									12,326,786	12,326,786
Sub-total: Loans Advanced	6,675,000	5,325,000	1,000,000	0	0	0	0	0	12,326,786	25,326,786
Contingency Provisions										
Local Growth Deal:										
Funding set aside to underwrite LGD overprogramming if required							0	1,586,130	0	1,586,130
Stubbington Bypass indemnity							0	0	0	0
Operational Costs			230,839	42,000	0	386,653	1,050,067	425,000	241,735	2,376,294
Sub-total: Contingency Provisions	0	0	230,839	42,000	0	386,653	1,050,067	2,011,130	241,735	3,962,424
Growing Places Loan Fund Programme Management Costs			75,000	51,426	24,090	18,341	40,000	91,143	150,000	450,000
Total: Contingency Provisions and Growing Places Loan Programme Management Costs	0	0	305,839	93,426	24,090	404,994	1,090,067	2,102,273	391,735	4,412,424
<u>Loans repaid (Capital Receipts)</u>										
<u>Round 1</u>										
CEMAST		(300,000)	(575,000)	(800,000)	(1,325,000)					(3,000,000)
Solent EZ Infrastructure package		(850,000)	(3,950,000)					(3,200,000)		(8,000,000)
Griffon Hoverwork				(400,000)	(800,000)	(800,000)	0			(2,000,000)
	0	(1,150,000)	(4,525,000)	(1,200,000)	(2,125,000)	(800,000)	0	(3,200,000)	0	(13,000,000)
Sub-total: Total Planned Fund Repayments	0	(1,150,000)	(4,525,000)	(1,200,000)	(2,125,000)	(800,000)	0	(3,200,000)	0	(13,000,000)
TOTAL CUMULATIVE BALANCE OF FUND AVAILABLE							(11,620,794)	(12,718,521)	0	**

SOLENT LOCAL ENTERPRISE PARTNERSHIP - LOCAL GROWTH DEAL FUNDING BY SCHEME (NET OF DfT RETAINED SCHEME FUNDING)							
SCHEME NAME	Actual 2015/16	Actual 2016/17	Actual 2017/18	Actual 2018/19	Budget 2019/20	Budget 2020/21	Total Budget
Solent Growth Fund (Growth deal - 2015/16 to 2021) / - SME Support from Solent Prosperity Fund (2018/19 to 2020/21) (note 1)	355,932	1,405,872	380,283	984,025	350,000	0	3,476,112
<i>SME Support (transition)</i>	-	-	-	-	-	1,000,000	1,000,000
LGD matched funding towards the ERDF grants programme	-	-	-	-	-	-	0
Solent Growth Fund (Growth deal - 2015/16 to 2021) - Programme Management	150,500	149,500	179,150	141,198	129,652	150,000	900,000
The Hard Interchange (PCC)	4,832,000	-	-	-	-	-	4,832,000
Dunsbury Hill Farm Link Road (PCC)	4,540,000	-	-	-	-	-	4,540,000
Station Quarter North (SCC)	4,185,000	-	-	-	-	-	4,185,000
Station Roundabout / Gudge Heath Lane (HCC)	2,065,000	2,888,893	-	-	-	-	4,953,893
Cancer Immunology Centre	4,500,000	-	-	-	-	-	4,500,000
Environmental Mitigation - Solent Mitigation Disturbance project	1,355,000	-	-	-	-	-	1,355,000
Eastleigh College Estates Renewal	6,810,000	2,190,000	-	-	-	-	9,000,000
IOW College Composites Centre	5,400,000	5,500,000	-	-	-	-	10,900,000
Capitalisation Costs for Solent Growth Deal Programme Management and Capacity funding	300,000	344,997	372,762	431,543	263,221	165,779	1,878,302
Peel Common Roundabout and St Margarets Roundabout	4,340,000	-	-	-	-	-	4,340,000
Newgate Lane South	-	6,072,571	2,927,429	-	-	(500,000)	8,500,000
Fareham and Gosport multiyear programme (A27 Dualling - phase 2)	-	3,198,000	-	-	-	-	3,198,000
Fareham and Gosport multiyear programme (A27 Dualling)	-	4,127,000	-	-	-	(270,000)	3,857,000
Solent Gateways (Isle of Wight Floating Bridge)	-	3,776,782	-	-	-	-	3,776,782
Innovation Fund - Fareham Innovation Centre - Phase 2	-	2,000,000	-	-	-	-	2,000,000
Innovation Fund - Programme Management Costs	-	75,000	134,544	28,975	-	-	238,519
Innovation Fund - BAE Maritime and Test Bed	-	456,633	-	-	-	(456,633)	0
Innovation Fund - Future Technology Centre (University of Portsmouth)	-	1,050,000	-	-	-	-	1,050,000
Contribution to BAE Employer Ownership Programme Scheme	-	129,000	-	-	-	-	129,000
National Maritime Systems Centre	-	-	1,679,334	-	2,564,664	756,002	5,000,000
Local Large Major transport schemes and infrastructure investment	-	-	339,497	24,220	-	-	363,717
BAE Marine Workshops and Marine Support Centre	-	943,066	-	-	-	-	943,066
Solent Growth Deal Programme Development Fund	-	-	-	-	-	-	0
Stubbington Bypass - advance	-	3,500,000	-	-	5,000,000	-	8,500,000
Stubbington Bypass - repayment	-	-	-	-	-	-	0
Fareham College - Civil Engineering Training Centre	-	-	-	-	2,833,000	-	2,833,000
Southampton Solent University - Warsash School of Maritime Science and Engineering	-	-	2,300,000	4,044,570	1,119,430	-	7,464,000
North Whiteley	-	-	-	-	3,243,970	10,756,030	14,000,000
<i>Design and Construction of M27 Junction 10 (note 1)</i>	-	-	-	-	-	14,150,000	14,150,000
<i>A326 Highway Improvements</i>	-	-	-	-	-	5,680,000	5,680,000
<i>IOW Island Line - Brading Loop</i>	-	-	-	-	-	700,000	700,000
<i>Solent Prosperity Fund</i>	-	-	-	-	-	-	0
SUB-TOTALS:	38,833,432	37,807,314	8,312,999	5,654,531	15,503,937	32,131,178	138,243,391
LGD funding committed / approved or indicatively earmarked across future years	-	-	-	-	-	(1,586,130)	(1,586,130)
TOTAL EXPENDITURE ON APPROVED LOCAL GROWTH DEAL SCHEMES	38,833,432	37,807,314	8,312,999	5,654,531	15,503,937	30,545,048	136,657,261
Accountable Body Capital Expenditure (Funded by LGD to maximise use of LGD)	1,000,000	-	-	-	-	-	1,000,000
TOTAL UTILISATION OF LOCAL GROWTH DEAL	39,833,432	37,807,314	8,312,999	5,654,531	15,503,937	30,545,048	137,657,261
FUNDING AGREED / INDICATIVE ALLOCATIONS							
Solent Growth Deal Funding - received	40,391,667	42,640,334	24,302,028	10,817,860	9,252,686	-	127,404,575
<i>Solent Growth Deal Funding - indicative</i>	-	-	-	-	-	9,252,686	9,252,686
Capital Funding from Accountable Body (Returned)	-	1,000,000	-	-	-	-	1,000,000
Funding Slippage / Acceleration	(558,235)	(5,833,020)	(15,989,029)	(5,163,329)	6,251,251	21,292,362	-
TOTALS:	39,833,432	37,807,314	8,312,999	5,654,531	15,503,937	30,545,048	137,657,261
Variance:	0	0	0	0	0	0	0

Notes:

Schemes that as yet are not contractually committed are shown in italics in the above table.

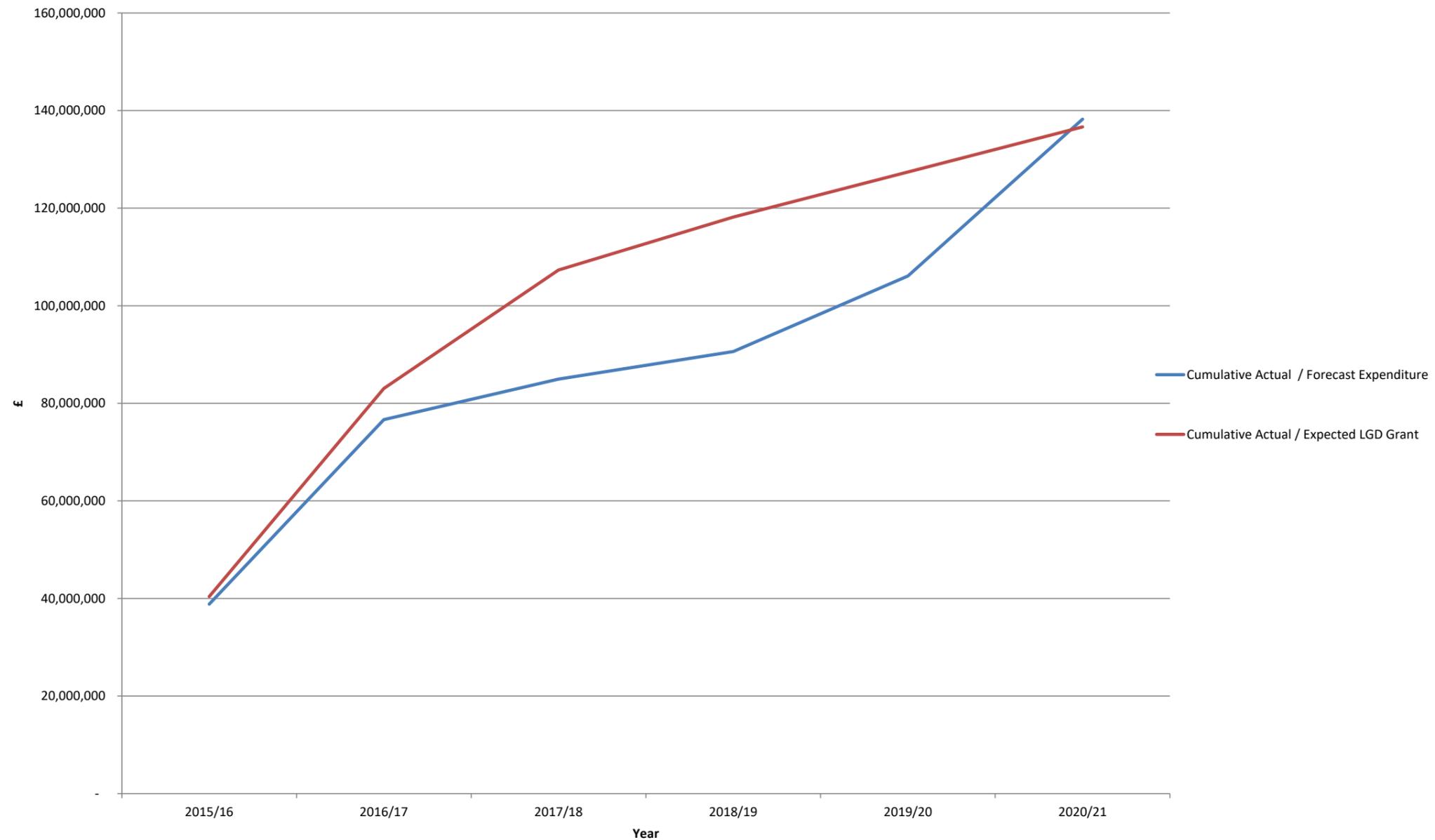
1. The funding to enable this scheme to proceed is indicatively earmarked and is subject to: (a) Approval of the full business case by DfT and Solent LEP which will need to include final tendered costs and all matched funding secured; (b) the scheme being able to fully defray the funding available by 31 March 2021; (c) Receipt of the full LGD allocation in 2020/21

DfT RETAINED SCHEMES - FUNDING PROFILES

SCHEME NAME	Actual 2016/17	Actual 2017/18	Actual 2018/19	Budget 2019/20	Budget 2020/21	Total Budget
Stubbington Bypass	0	0	0	3,007,000	22,492,000	25,499,000
Stubbington Bypass - programme management costs	0	0	0	0	201,000	201,000
M27 Junction 10 (note a)	0	0	2,150,000	2,500,000	10,250,000	14,900,000
Totals:	-	-	2,150,000	5,507,000	32,943,000	40,600,000

Notes:
 (a) The £2.15m in 2018/19 and the £2.5m in 2019/20 for the M27 Junction 10 scheme have been paid directly to HCC who are the accountable body for the development phase of the project.
 (b) The funding allocations of £25.499m and £201k for Stubbington Bypass have been paid over to the Accountable Body from DfT

LOCAL GROWTH DEAL - CUMULATIVE / FORECAST ANNUAL EXPENDITURE vs CUMULATIVE GRANT ALLOCATIONS



APPENDIX F

Local Growth Deal High Level Deliverability Matrix

A confidential report will be considered at the meeting

09.03.2020

Item 6

Solent Prosperity Fund Update

Item Number: 6
Item Title: Solent Prosperity Fund Update
Meeting Date: 9th March 2020
Purpose: For Information and Decision

1. Draft Resolution

Board members are asked to:

- **Note** the update on Large Projects and Programmes applications progressing through the Solent Prosperity Fund; and
- **Consider** whether the LEP publishes a further call for projects under the Large Projects and Programmes component of the Solent Prosperity Fund; and
- Subject to the recommendation above, **Consider** the final Technical Guidance document for the Large Projects and Programmes component of the Solent Prosperity Fund (in Annexe A to follow), and **Agree** for the Technical Guidance documents to be finalised for consideration by the LEP Board at its meeting in March 2020.

2. Overview

This paper updates the Board on the Solent Prosperity Fund (SPF) Large Projects that have been invited by the Board to develop Full Business Cases (FBCs), seeks views on whether the LEP publishes a further call for projects under the Large Projects and Programmes component of the Solent Prosperity Fund, and provides a refreshed SPF Large Projects and Programmes Technical Guidance document (attached as annexe A) for consideration by the Board.

3. Update on Solent Prosperity Fund Large Projects and Programmes Applications

At the LEP Board meeting on the 17 January 2020, the Board agreed to invite four projects to work in collaboration with the LEP on Full Business Cases (FBCs). Project leads have been contacted and the LEP Executive is now working with these project to ensure FBCs are developed to come forward to the LEP Board for consideration at its meeting on 22 May 2020, to facilitate a start on site by end of August 2020.

Across rounds six and seven 19 applications were received, and whilst four were considered eligible and have since been invited to develop FBCs the remaining 15 could not be progressed. Feedback calls have been provided to 13 of these applicants, with the remaining two due to take place in the next week.

4. Solent Prosperity Fund Large Projects and Programmes

The Solent Prosperity Fund was re-launched on 8 August 2019 as round six, which closed on the 27 September and remained open for round 7, which closed on 29 November 2019. The re-launched guidance sought to better align with the direction of the emerging Solent 2050 strategy, reduced the maximum funding request to £5m, extended the start on site date to June 2020, as well as a range of other minor amendments. Of the seven round 6 projects three were invited to progress to FBC, whilst of the 12 round 7 projects, only one was eligible to be considered and was invited to develop a FBC.

At the meeting, and informed by the Finance and Funding Report at Item 5, the LEP Board will be invited to consider whether the LEP publishes a further call for projects under the Large Projects and Programmes component of the Solent Prosperity Fund. Subject to this consideration, and recognising the LEP Board's continued appetite to secure a strong pipeline of larger projects and programmes to ensure full spend against the LEP's Local Growth Fund capital allocation, work has been undertaken to review the current Technical Guidance. Accordingly, a refreshed version of the SPF Large Projects and Programmes Technical Guidance was considered by FPPMG at its meeting on 12th February 2020 and an updated version of the guidance that reflects feedback from FPPMG is in development and will follow as Annexe A.

The refreshed guidance seeks to:

- Further align the strategic criteria with the Solent 2050 Strategy agreed by the LEP Board in January through the addition of "Growing our heritage, cultural and visitor offer" as an output ;
- Signpost to new published evidence on the LEP website;
- Provide a strong emphasis on the preference for loan applications whilst also inviting, on an exceptional basis, grant applications where a clear case for grant intervention is made and where all other funding options have been exhausted;
- Provide a final deadline for applications of 22nd May 2020 to enable FBC's to be considered by the Board in July 2020.
- Review the funding thresholds to reflect the timetable for consideration and the defrayal deadlines of March 2021 and March 2022;
- Extend the start on site deadline to end of October 2020.

In addition and to also ensure the area is strongly positioned to take advantage of new funding opportunities, including through those outlined in the [Queen's Speech](#) in December 2019, such as: the new £10 billion Single Housing Fund; £100 billion investment to be set out in the National Infrastructure Strategy; Digital infrastructure investment, and the national skills fund it is proposed to seek approval from the LEP Board at its meeting in March 2020, to open up an invitation to submit outline proposals as part of the work we are undertaking to develop a new pipeline of growth proposals. This should seek to support the emerging Solent 2050 strategy and also to respond to the emerging funding opportunities that we expect to see come forward in the budget in March 2020 and also as part of the forthcoming spending review that is expected to take place during 2020.

5. Legal implications

There are no direct legal implications specifically arising from the recommendations in this report in so far as they refer to noting the update on Large Projects and Programmes applications progressing through the Solent Prosperity Fund - in relation to the development of four FBC's as referred to - any further decision to support and proceed to a contractual stage will be reviewed and considered in light of all legal aspects and all financial implications will be made in conjunction with delegations from the PCC's S151 officer.

6. Equality impact assessment

An EIA has been prepared in relation to the Solent Prosperity Fund and this is provided at Annexe B, and it is considered that there are no negative impacts on groups identified in the EIA.

7. Financial comments from the S151 Officer of the Accountable Body

There are no specific financial implications arising from the content of this report.

Going forward should any further projects come forward as part of any future funding calls they would go through the usual due diligence prior to any decision being made.

Advice would be provided at this stage on the affordability of any proposals whilst also considering the need to maintain a strong pipeline of projects.

8. Decision Summary

Board members are asked to:

- **Note** the update on Large Projects and Programmes applications progressing through the Solent Prosperity Fund; and
- **Consider** whether the LEP publishes a further call for projects under the Large Projects and Programmes component of the Solent Prosperity Fund; and
- Subject to the recommendation above, **Consider** the final Technical Guidance document for the Large Projects and Programmes component of the Solent Prosperity Fund (in Annexe A), and **Agree** for the Technical Guidance documents to be finalised for consideration by the LEP Board at its meeting in March 2020.

Annexe A – Solent Prosperity Fund Technical Guidance

A confidential report will be considered at the meeting

Equality Impact Assessment

Preliminary assessment form 2018

The preliminary impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies which require a full EIA by looking at:
 - negative, positive or no impact on any of the equality groups
 - How are going to mitigate or remove any potential negative impacts
 - opportunity to promote equality for the equality groups
 - data / feedback
- prioritise if and when a full EIA should be completed
- justify reasons for why a full EIA is not going to be completed

Directorate:

Solent LEP

Service, function:

Solent LEP

Title of policy, service, function, project or strategy (new or old) :

Solent Prosperity Fund - Large Project and Programme Component

Type of policy, service, function, project or strategy:

- Existing
- New / proposed
- Changed

Q1 - What is the aim of your policy, service, function, project or strategy?

The Solent area is an internationally recognised key economic hub comprising the Isle of Wight, the two cities of Portsmouth and Southampton, the New Forest and a constellation of large towns along the M27 corridor and the Solent waterway. Improving productivity and competitiveness in the Solent delivers wider benefits for the UK and requires targeted and sustained investment in both our businesses and our infrastructure. In response, the Solent LEP has established the Solent Prosperity Fund (SPF), with capital funding available between 2018/19 to 2021/22 for capital projects and programmes that support the Solent economy being fit for the future by helping businesses create better, higher-paying for all and investing in the skills, industries and infrastructure of the future and helping shape a prosperous Solent. The Fund was re-launched in April 2019, and is now looking to re-launch again in spring 2020.

Q2 - Who is this policy, service, function, project or strategy going to benefit or have a detrimental effect on and how?

The fund aims to level out opportunity for all. It aims to encourage new public infrastructure and skills infrastructure projects which will have a public benefit for all, and also support commercial initiatives, which will support economic prosperity for all in the Solent and beyond.

Q3 - Thinking about each group below, does, or could the policy, service, function, project or strategy have a negative impact on members of the equality groups below?

Group	Negative	Positive / no impact	Unclear
Age	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Race	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sex	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sexual orientation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Religion or belief	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pregnancy and maternity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marriage & civil partnership	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other excluded groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Note: Other excluded groups examples includes, Homeless, rough sleeper and unpaid carers. Many forms of exclusion are linked to financial disadvantage. How will this change affect people on low incomes, in financial crisis or living in areas of greater deprivation?

If the answer is "negative" or "unclear" consider doing a full EIA

If there are any potential negative impacts on any of the protected characteristics, What have you put in place to mitigate or remove the negative impacts/barriers?

N/A

Q4 - Does, or could the policy, service, function, project or strategy help to promote equality for members of the equality groups? e.g. A new service has been created for people with a disability to help them gain employment this would mean that this helps promote equality for the protected characteristic of disability only.

Group	Yes	No	Unclear
Age	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Disability	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Race	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sex	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gender reassignment	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sexual orientation	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Religion or belief	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pregnancy or maternity	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Marriage & civil partnership	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other excluded groups	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

If the answer is "no" or "unclear" consider doing a full EIA

Q5 - Do you have any feedback data from the equality groups that influences, affects or shapes this policy, service, function, project or strategy?

Please add in the text boxes below what feedback / meetings you have attended for each specific protected characteristic

Group	Positive or negative feedback
Age	N/A
Disability	N/A
Race	N/A
Sex	N/A
Gender reassignment	N/A
Sexual orientation	N/A
Religion or belief	N/A
Pregnancy and maternity	N/A
Marriage & civil partnership	N/A
Other excluded groups	N/A

Q6 - Using the assessments in questions 3, 4 and 5 should a full assessment be carried out on this policy, service, function or strategy?

yes No

PCC staff-If you have to complete a full EIA please contact the Equalities and diversity team if you require help Tel: 023 9283 4789 or email: equalities@portsmouthcc.gov.uk

CCG staff-If you have to complete a full EIA please email: sehccg.equalityanddiveristy@nhs.net if you require help

Q7 - How have you come to this decision? Summarise your findings and conclusion below

The Solent Prosperity Fund is a competitive fund open to all groups and organisations.

Q8 - Who was involved in the EIA?

Stuart Baker

This EIA has been approved by: Richard Jones

Contact number: 023 9268 8676

Date: 18th February 2020

PCC staff-Please email a copy of your completed EIA to the Equality and diversity team. We will contact you with any comments or queries about your preliminary EIA.

Telephone: 023 9283 4789, Email: equalities@portsmouthcc.gov.uk

CCG staff-Please email a copy of your completed EIA to the Equality lead who will contact you with any comments or queries about your preliminary . Email: sehccg.equalityanddiversity@nhs.net

09.03.2020

Item 7

Draft Business Plan 2020/21

Item Number: 7
Item Title: Solent LEP Delivery Plan 2020/21
Meeting Date: 9th March 2020
Purpose: For Information and Decision

1. Draft Resolution

Board members are asked to:

- **Consider** and provide **Advice** to the Executive on the draft Annual Delivery Plan for 2020/21 provided in annexe A; and
- **Delegate** authority to the Chairman and Chief Executive to finalise the Delivery Plan for publication by the end of March 2020.

2. Overview

This paper seeks the views of the Board on a final draft of the Solent LEP Annual Delivery Plan 2020/21 provided in annexe A.

3. Solent Draft Delivery Plan 2020/21

The [National Local Growth Assurance Framework](#) (the Framework), published in January 2019, set out a range of requirements of LEPs, including for each LEP to develop and publish an Annual Delivery Plan by the beginning of each financial year.

In relation to delivery plans, the Framework states the following:

"...As part of the assurance monitoring process, each LEP is required to publish an annual report and delivery plan. The delivery plan and annual report should set out a well-developed understanding of the local economic evidence base to identify opportunities and obstacles to inclusive growth, prosperity and improved productivity. Government will work with LEPs to develop measures to report against in the plan and report. These will be considered as part of the annual assurance process. Delivery plans and annual reports should be published at the beginning of each financial year..."

Furthermore, the current delivery plan for 2019/20, structured in line with the advice of [Strengthened Local Enterprise Partnerships](#), has provided a good framework for the development of the 2020/21 iteration which seeks to address the following areas:

- A detailed and well developed understanding of the local economic evidence base across the LEP area;
- The economic development priorities, interventions and funding for the area;
- How LEPs are investing existing Local Growth Fund awards, and delivering other local growth programmes;
- Headline outcome indicators based on local priorities to benefit people and communities;
- How LEPs will work with local authorities to make the most of their existing levers to drive economic growth and ensure that the planning system is responsive to commercial development;

- Details on the allocation of any other national and local funds;
- Monitoring and evaluation;
- Plans for consultation and engagement with public, private and voluntary and community based bodies.

The priorities for 2020/21 set out in the draft delivery plan accord with the narrative of the Assurance Framework 2020/21 as agreed by the Board at their meeting on 17 January 2020.

The draft Delivery Plan was considered by FPPMG at its February 2020 meeting and advice was provided in relation to the commentary in section 2 and also in relation to the positioning of infographics in section 3 and the financial tables in section 6.

This has been incorporated into the final draft which is attached in Annexe A for board consideration.

4. Decision Summary

The Board are asked to:

- **Consider** and provide **Advice** to the Executive on the draft Annual Delivery Plan for 2020/21 provided in annexe A; and
- **Delegate** authority to the Chairman and Chief Executive to finalise the Delivery Plan for publication by the end of March 2019.

5. Equality impact assessment

An EIA has been prepared in relation to the Solent LEP Delivery Plan 2020/21 and this is provided at Annexe B, and it is considered that there are no negative impacts on groups identified in the EIA.

6. Financial comments from the S151 Officer of the Accountable Body

There are no specific financial implications arising from the content of this report.

The objectives and activities set out in the draft delivery plan are considered when setting the Solent LEP's budget for the current year and for future years up to and including 2021/22.

Should there be any need for additional resources to be deployed as part of the ongoing work to deliver the LEP's objectives then the requirement for these and recommended funding sources would be set out in a future report to the FPPMG or LEP Board.

7. Legal implications

Where the Board seek to implement the annual delivery plan the legal implications will be reviewed and measured at the relevant junctures by the Accountable Body and any/all financial implications will be made in conjunction with delegations from the PCC's S151 officer.

Annexe A – Final Draft Solent LEP Delivery Plan 2020/21

A confidential report will be considered at the meeting

Equality Impact Assessment

Preliminary assessment form 2018

The preliminary impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies which require a full EIA by looking at:
 - negative, positive or no impact on any of the equality groups
 - How are going to mitigate or remove any potential negative impacts
 - opportunity to promote equality for the equality groups
 - data / feedback
- prioritise if and when a full EIA should be completed
- justify reasons for why a full EIA is not going to be completed

Directorate:

Solent LEP

Service, function:

Solent LEP

Title of policy, service, function, project or strategy (new or old) :

Solent LEP Delivery Plan

Type of policy, service, function, project or strategy:

- Existing
- New / proposed
- Changed

Q1 - What is the aim of your policy, service, function, project or strategy?

The Solent area is an internationally recognised key economic hub comprising the Isle of Wight, the two cities of Portsmouth and Southampton, the New Forest and a constellation of large towns along the M27 corridor and the Solent waterway. Improving productivity and competitiveness in the Solent delivers wider benefits for the UK and requires targeted and sustained investment in both our businesses and our infrastructure. In response, the Solent LEP has developed a delivery plan for 2020/21 that supports the Solent economy being fit for the future by helping businesses create better, higher-paying for all and investing in the skills, industries and infrastructure of the future and helping shape a prosperous Solent.

Q2 - Who is this policy, service, function, project or strategy going to benefit or have a detrimental effect on and how?

The delivery plan aims to set out the key operational priorities and supporting budget and outputs for 2020/21 to underpin those activities and initiatives, which will support economic prosperity for all in the Solent and beyond.

Q3 - Thinking about each group below, does, or could the policy, service, function, project or strategy have a negative impact on members of the equality groups below?

Group	Negative	Positive / no impact	Unclear
Age	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Race	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sex	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sexual orientation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Religion or belief	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pregnancy and maternity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marriage & civil partnership	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other excluded groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Note: Other excluded groups examples includes, Homeless, rough sleeper and unpaid carers. Many forms of exclusion are linked to financial disadvantage. How will this change affect people on low incomes, in financial crisis or living in areas of greater deprivation?

If the answer is "negative" or "unclear" consider doing a full EIA

If there are any potential negative impacts on any of the protected characteristics, What have you put in place to mitigate or remove the negative impacts/barriers?

N/A

Q4 - Does, or could the policy, service, function, project or strategy help to promote equality for members of the equality groups? e.g. A new service has been created for people with a disability to help them gain employment this would mean that this helps promote equality for the protected characteristic of disability only.

Group	Yes	No	Unclear
Age	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Disability	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Race	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sex	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gender reassignment	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sexual orientation	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Religion or belief	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pregnancy or maternity	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Marriage & civil partnership	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other excluded groups	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

If the answer is "no" or "unclear" consider doing a full EIA

Q5 - Do you have any feedback data from the equality groups that influences, affects or shapes this policy, service, function, project or strategy?

Please add in the text boxes below what feedback / meetings you have attended for each specific protected characteristic

Group	Positive or negative feedback
Age	N/A
Disability	N/A
Race	N/A
Sex	N/A
Gender reassignment	N/A
Sexual orientation	N/A
Religion or belief	N/A
Pregnancy and maternity	N/A
Marriage & civil partnership	N/A
Other excluded groups	N/A

Q6 - Using the assessments in questions 3, 4 and 5 should a full assessment be carried out on this policy, service, function or strategy?

yes No

PCC staff-If you have to complete a full EIA please contact the Equalities and diversity team if you require help Tel: 023 9283 4789 or email: equalities@portsmouthcc.gov.uk

CCG staff-If you have to complete a full EIA please email: sehccg.equalityanddiveristy@nhs.net if you require help

Q7 - How have you come to this decision? Summarise your findings and conclusion below

The Solent LEP Delivery plan summarises the key activities for 2020/21 which are underpinned by investment funding to support projects in the Solent. This funding has been made available on an open and competitive basis to all groups and organisations.

Q8 - Who was involved in the EIA?

Anne-Marie Mountifield

This EIA has been approved by: Richard Jones

Contact number: 02392 834603

Date: 20 February 2020

PCC staff-Please email a copy of your completed EIA to the Equality and diversity team. We will contact you with any comments or queries about your preliminary EIA.

Telephone: 023 9283 4789, Email: equalities@portsmouthcc.gov.uk

CCG staff-Please email a copy of your completed EIA to the Equality lead who will contact you with any comments or queries about your preliminary . Email: sehccg.equalityanddiversity@nhs.net

09.03.2020

Item 8

Strategy Update

Item Number: 8
Item Title: Strategy Update
Meeting Date: 9th March 2020
Purpose: For Information and Decision

1. Draft Resolution

Board members are asked to:

- **Note** the update on the consideration of the Solent 2050 Evidence Base and Draft Solent 2050 Strategy by the Department for Business Energy and Industrial Strategy (BEIS) Local Industrial Strategy Analytical Panel; and
- **Consider** and **Agree** the Solent 2050 Strategy to follow as Annexe A; and
- **Note** the work the Executive is scheduling to consult on the Solent 2050 strategy; and
- **Note** the update on the Freeport consultation and the development of an internationalisation strategy in relation to trade and promotion and the activity the LEP is progressing on these agendas;
- **Consider and agree** an approach to developing a trade and promotion programme for 2020/21

2. Overview

This provides a draft of the Solent 2050 strategy for consideration by the Board, updates the Board on the work the Executive is programming to consult on the Solent 2050 strategy, and updates on the work the LEP is progressing in response to the Freeport opportunity and the development of an internationalisation strategy in relation to trade and promotion.

3. Solent 2050 Strategy

Board members considered the direction of travel of the draft Solent 2050 strategy at its Strategy session on the 17th January 2020 and asked the Executive to finalise the document.

Since that time the Executive has prepared documentation for presentation to, and consideration by, the BEIS Local Industrial Strategy Analytical (LISA) Panel, which met on Tuesday 11th February 2020. LEPs are not in attendance at these LISA panel meetings, and we understand that the meeting went well. Feedback from Departmental representatives at the meeting on our Evidence Base is being collated by BEIS, and a verbal update will be provided at the Board meeting.

Whilst Local Industrial Strategies are required to be agreed with Government, the timeline for this agreement will be different for each LEP and is not yet determined, recognising that there are around 30 Local Industrial Strategies being developed and a new Government in place. However, it is clear that the Solent area needs a new economic strategy, as the current [Solent Strategic Economic Plan](#) expires this year and it is important that the area has a clear economic strategy to underpin policy and investments across the area.

Work to finalise the Solent 2050 strategy has continued since the last Board meeting, and a final draft of the document will follow as annexe A for consideration by the Board. In support of this, the consultants will attend the meeting to present on the final draft Solent 2050 strategy.

The Board received an update at the January 2020 Strategy Session on the consultation activity that has been undertaken to arrive at the draft Solent 2050 strategy. This included engagements with over 1,600 individuals and over 500 businesses and organisations.

Now that the Solent 2050 Strategy is nearing completion, and following on from the update the Executive provided at the January LEP Board Strategy Session, the Executive is developing a programme of consultation activity for March 2020 to initiate discussion on the Solent 2050 strategy. This activity will be supported by a Solent 2050 brochure that is under development and will be circulated to the Board in due course. The activity will include:

- An event with Solent Business Representative Organisations;
- An online survey;
- 4 workshops (one in Isle of Wight, Portsmouth, New Forest, and Southampton) followed by open public sessions;
- Meeting with Solent MPs in Westminster;
- A Solent Economic Regeneration leads meeting;
- School engagement sessions, utilising our Enterprise Coordinators and Enterprise Advisers;
- A University student engagement session.

Some activity in this regard has already been progressed, including updates on the Solent 2050 strategy to the Solent Skills Advisory Panel, the Solent Growth Forum, and the Hampshire Chamber of Commerce Planning and Transport Committee.

The above activity will be supported by a social media campaign aimed at promoting participation in the consultation.

Finally, the Solent Prosperity Review Panel will be reconvened to secure their feedback and to report to them the emerging feedback from the consultation.

4. Freeports

HM Treasury (HMT) and the Department for International Trade (DIT) published a consultation on Freeports on Monday 10th February 2020. The consultation is available [here](#) and a Briefing Note was circulated to the Board on the 11th February 2020. The LEP has used its convening role to establish a *Task and Finish* group to inform this work, and a verbal update will be provided at the Board meeting.

5. Trade and Promotion

As previously advised the LEP has become increasingly involved in the promotion of the Solent through participation in trade networks both in the UK and worldwide. We have to date approached this in a responsive manner as different opportunities have arisen, but the LEP board have agreed to consider the development of a more managed approach to this drawing on the programme of activities planned for 2020/21 so that any future export and trade initiatives or trade missions continue to complement our strategy in the short term and on a wider basis support the implementation of the Solent 2050 Strategy and Maritime 2050 in the medium term including our focus on increasing our competitiveness and presence in global markets.

During 2019 Solent LEP supported two trade missions to the US and Bangladesh and a summary for both is provided below:

a. Maritime UK US:UK Trade Forum 19-22 November 2019 and March 2020

The second UK-USA Maritime Nations Forum was held aboard HMS Queen Elizabeth in Annapolis, USA in November 2019. A summary of the forum outcomes is set out below:

- The Forum did not identify any significant barriers to doing business between the UK and US. There was greater concern about barriers that might emerge from a detrimental EU exit.

- US participants viewed the UK extremely positively. Some referred to the UK as the global maritime capital and one specifically referred to the UK as the “global Mecca for insurance”.
- US participants spoke of a growing trend for London-New York collaboration that is happening organically and there was a discussion about whether any organisational or operational activity could help to formalise that trend and/or accelerate.
- US participants spoke positively of the complimentary package that the UK and US offer, particularly in services, with a full-spectrum British maritime offer supported by a strong finance offer from New York.
- US participants believed that there would be a UK-US Free Trade Agreement following EU exit and that industry on both sides should prepare for this, including by working bilaterally.
- UK participants resolved to organise a workshop on ‘Working with the Jones Act’ having learned that there are numerous opportunities for non-US companies wishing to provide products and services in the US. Several examples were provided by US participants to demonstrate how solutions can be found. Further to this MUK has established a steering group to take this work forward and Kevin George will be joining the group as part of the work on next steps.

The third UK-USA Maritime Nations Forum is being organised for 5 March 2020 in Liverpool and Solent will be represented. The Forum will include a summary of discussions at the most recent Forum held off Annapolis. 2020's Forum will feature the following discussions:

- UK-US Free Trade Agreement and priorities for the maritime sector
- Climate change adaptation and decarbonisation initiatives in the maritime sector

An update on this will be provided at the board meeting.

b. Bangladesh Trade Mission 15 – 22 November 2019

Working collaboratively with University of Portsmouth and Portsmouth City Council this trade mission took place between 15-22 November 2019 and Solent LEP joined the delegation sponsoring two of our SME's to participate in the mission. The target was to promote markets and industries based in the Solent region to the Bangladeshi market, and to establish significant trading routes with Bangladeshi-based businesses.

Meetings were arranged with a number of the Bangladeshi Ministries and Chambers of Commerce. A networking reception was also organised and a ‘Meet the Mission’ half day programme was also set. In addition delegates were accompanied during the mission by ethnic entrepreneurs with an interest in joint venture projects.

Outcomes from this mission include:

- Follow up activity in relation to securing potential contracts in Bangladesh;
- Inbound investment opportunities and creation of new markets in Bangladesh;
- Return visit by High Tech Park Authority from Bangladesh to Portsmouth and the Solent Enterprise Zone.

Solent LEP have also been approached to participate in the following during 2020:

- A potential mission to Canada focusing on tourism and the shared naval traditions of both areas;
- A trade mission to India in September 2020. The India Business Group is planning to host a trade mission with business leaders/SME's, academics and decision makers from local authorities from the Solent to the sub-continent. The primary objective is to cement and build on the already strong trade links with our region and the sub-continent and return to the UK with a portfolio of new business collaborations.

An update on both opportunities will be provided at the meeting.

To build upon these recent trade missions and to respond to the desire to bring forward an internationalisation strategy and supporting programme for 2020/21 (to include further trade missions and events planned for 2020/21),

there is a need to consider a more strategic and proactive approach to responding to such opportunities, as well as a requirement to consider resourcing implications (both staffing and financial). It is therefore advised that the board consider introducing criteria for considering such opportunities going forward. To date the criteria for participating in such missions been based around those markets that have the following characteristics:

- Cross-sector interest (i.e. broader than simply one industry)
- Represent new growth opportunities both within the EU post BREXIT and outside the EU
- Companies and DIT/FCO have demonstrated sector interest
- Greatest value can be delivered for companies and the Solent economy

In addition the board will need to consider affordability and budgeting (to include dedicated staffing) for such activity.

The board are asked to consider this and provide feedback in order that we can agree an approach which can then be used to prioritise markets being chosen for missions and further plans can be developed with a view to considering the potential 2020 programme.

6. Equality Impact Assessment

An EIA has been prepared in relation to this work and this was provided in Annexe B at January's Board Meeting, it was considered that there are no negative impacts on groups identified in the EIA. This can be accessed [here](#).

7. Legal implications

There are no direct legal implications to the consideration and Agreement of the Solent 2050 Strategy to follow as at annex A. In terms of considering and agreeing an approach to developing a trade and promotion programme for 2020/21, the agreed approach provided by the board will need to be reviewed in order to confirm if there are any legal implications regarding engaging with international markets and the legal considerations.

8. Financial comments from the S151 Officer of the Accountable Body

The costs of formulating the Solent 2050 Strategy are contained within the existing approved LEP Budget. Any specific activities with financial implications arising from the strategy that are not presently budgeted for will be subject to a future report to the Board. In addition to this should the Board agree to further progress the trade and promotion of the Solent following on from the recent activities set out in paragraph 5 above a funding source would need to be identified and the Accountable Body will be able to provide advice on this at the meeting.

9. Decision Summary

Board members are asked to:

- **Note** the update on the consideration of the Solent 2050 Evidence Base and Draft Solent 2050 Strategy by the Department for Business Energy and Industrial Strategy (BEIS) Local Industrial Strategy Analytical Panel; and
- **Consider** and **Agree** the Solent 2050 Strategy to follow as Annexe A; and
- **Note** the work the Executive is scheduling to consult on the Solent 2050 strategy; and
- **Note** the update on the Freeport consultation and the activity the LEP of progressing on this agenda;
- **Consider and agree** an approach to developing a trade and promotion programme for 2020/21

Annexe A - Draft Solent 2050 Strategy

A confidential report will be considered at the meeting

09.03.2020

Item 9

LEP Board Forward Plan



**SOLENT
LOCAL
ENTERPRISE
PARTNERSHIP**

Item: 9 b
Title: Any other business – LEP Board forward plan
Date: 9th March 2020
Purpose: For information and decision

1. Draft Resolution:

The Board is asked to:

- **Consider and agree** the forward plan as set out below

2. Summary

Further to the previous Board meeting the forward plan has been updated as follows:

22 May 2020 (9.00 am to 12.00pm) – venue to be confirmed

- Governance update to include;
 - Introduction from the new Board Chair
 - Feedback from Solent Leaders forum and Solent Growth Forum
 - Policy update
- Finance and funding report to include;
 - Legacy scheme funding
 - Local Growth Update for 2020/21 programme
 - LGD Retained schemes and future pipeline
 - In year budget position for 2020/21 and financial forecasts to 2021/22
 - Review of Risk registers
 - Solent Prosperity Fund
- Strategy update to include:
 - Solent 2050 Strategy progress review
 - Update on Maritime UK and Maritime UK Solent
 - Report from Skills Advisory Panel
 - Update on Infrastructure Investment plan for Havant

17 July 2020 (9.00 am to 12.00 pm) – venue to be confirmed

- Governance update to include:
 - Feedback from Solent Leaders Forum and Solent Growth Forum
 - Policy update
 - Marketing and communications update
- Finance and funding report to include;
 - Legacy schemes
 - Local Growth Update for 2020/21 programme to include retained schemes
 - Evaluation of Local Growth Deal Programme
 - In year budget position for 2020/21 and financial forecasts to 2021/22
 - Review of Risk registers

- Solent Prosperity fund
- Infrastructure to include:
 - Update on Solent Enterprise Zone
 - Final draft Havant Infrastructure Investment Plan
- Strategy update to include:
 - Solent 2050 Strategy progress review
 - Update on Maritime UK and Maritime UK Solent
- Annual audit report 2019/20
- Annual report from SERCOM 2019/20

3. Equality Impact Assessment (EIA)

An EIA is not required at this stage. Any considerations contained within the forward plan that relate to items to be considered for a decision by the Solent LEP will remain subject to an appropriate EIA, and appropriate consultation, at such time they were to be considered.

4. Legal Implications

There are no legal implications arising from this report to the Board. Any legal considerations arising out of the work streams pursuant to this forward plan going forward will be reviewed separately as and when required.

5. S151 Officer of Finance Comments

There are no financial implications arising from this report to the Board. All reports considered by the Board at future meetings will contain comments on any specific financial implications arising from the content within them.