

Solent Local Enterprise Partnership
Meeting of the Board to be held via video conference on Friday 9 October 2020
09:00 to 12:00

Item	Title	Time
1.	Welcome, Introduction and Apologies for absence	9:00 – 9:05
2.	Draft Havant Infrastructure Investment Plan to include: <ul style="list-style-type: none"> • Introduction from Havant Borough Council • Presentation of draft Infrastructure Investment Plan 	9:05 – 9:35
3.	Notes of meeting held on 17 July 2020	9:35 – 9:45
4.	Matters Arising and declarations of interest	
5.	LEP Matters requiring board decision	
5 a.	Finance and funding to include; <ul style="list-style-type: none"> • In year budget position for 2020/21 and financial forecasts to 2022/23 • Local Growth Fund programme • Review of Risk registers 	9:45 – 10:15
5 b	Getting building Fund update	10:15 – 10:35
5 c.	Mid-year review of 2020/21 Delivery Plan	10:35 – 11:00
6.	General updates to include: <ul style="list-style-type: none"> • Solent Business Support Task Force and COVID 19 response • Verbal update from MUK Solent • Skills Advisory Panel to include update on Institute of Technology initiative • Solent Growth Forum meeting on 28 September 2020 • Verbal update on Solent Leaders forum meeting on 10 September 2020 • Update on Southern LEP Network 	11:00 – 11:55
7.	Any other business <ul style="list-style-type: none"> • Forward Plan 	11:55 – 12:00

9.10.2020

Item 2

Havant Infrastructure Investment Plan

Item: 2
Title: Infrastructure update – Havant Infrastructure Investment Plan
Date: 9 October 2020
Purpose: For discussion and decision

1. Draft Resolution:

Board members are asked to:

- **Consider and Agree** the draft Havant Infrastructure Investment Plan as presented at the Board meeting (and attached at appendix A); and
- **Delegate** authority to the Executive (working with Havant borough Council) to finalise for publication.

2. Background - Havant Infrastructure Investment Plan

Solent LEP, in close partnership with Havant Borough Council, has commissioned work to provide independence and expertise in the development of a Havant Infrastructure Investment Plan with the aim of identifying the future “economic infrastructure” needs of the Borough, to support the transformation of this coastal community.

A Steering Group, convened by the LEP and featuring key private, public and education sector stakeholders, has overseen the development of the plan, and the draft report was considered by the Steering Group on 10 September 2020. In addition to this scrutiny, Havant Borough Council considered the draft report at a cabinet briefing on 23 September 2020 and the work has been subject to significant stakeholder engagement throughout the development phase.

Havant Borough Council will provide a short presentation at the meeting and the Board will then receive a presentation on the work.

The report represents the culmination of evidence gathering, analysis, and extensive stakeholder engagement and critically it will form part of the evidence base that underpins the Solent 2050 strategy and the Economic Recovery plan which was published in September 2020.

3. Equality Impact Assessment (EIA)

An EIA is not required at this stage. Any considerations contained within the draft work 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.

Annexe A – Draft Havant Infrastructure Investment Plan

A confidential report will be considered at the meeting

9.10.2020

Item 3

Notes of meeting held on 17 July 2020



**SOLENT
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Solent Local Enterprise Partnership Meeting of the Board of Directors

Held on Friday 17 July 2020 at 9:00 - 10:00 convened electronically over video conference

Confidential meeting note - Meeting 1

Present	In Attendance
Brian Johnson (Chair)	Stuart Baker (LEP Executive)
Anne-Marie Mountfield	Steve Futter (LEP Executive)
Jo Sawford	Nicola Twiddy (LEP Executive)
SJ Hunt	James Fitzgerald - Portsmouth City Council (as the Accountable Body)
Rachael Randall	Peter Baulf - Portsmouth City Council (as the Accountable Body)
Nick Loader	Lloyd Clark - Portsmouth City Council (as the Accountable Body)
Paula Swain	
Kevin George	Apologies
David Youngs	Graham Galbraith
Toni Wotton (CLGU)	
Will Jacobs (BEIS)	

Item	ACTION
<p>1. Welcome and Introduction Brian Johnson welcomed all to the meeting and explained the protocols which should be used for the duration of the Zoom call for votes and comments.</p> <p>Notes of meeting held on 22 May 2020 It was requested that there be an amendment to the meeting note for Meeting 1 on 22 May 2020 to include a record of the Directors who had to withdraw from the meeting due to their interest in the item being discussed being captured. The draft minutes for the 22 May 2020 Board meeting were Agreed with the inclusion of the following wording:</p> <p>In line with the process prescribed in the national "Local Enterprise Partnership governance and transparency: best practice guidance", following review of their Register of Interest Returns in advance of the meeting, the following Directors declared an interest in item 5 in advance of the meeting and withdrew from the meeting: Paula Swain, Gerald Vernon-Jackson, Judith Grajewski, Seán Woodward and Graham Galbraith.</p> <p>Apologies for Absence Apologies for the meeting were received from Graham Galbraith.</p>	

2. **Matters Arising and Declarations of Interest**

Matters Arising

Page 2 - at the last meeting the Board received an update on the request of the LEP to recall the £10.25m Solent Growth Deal Funding retained by the Department for Transport (DfT).

An item of correspondence addressed to the LEP Chair has been received from Fareham Borough Council and this was made available to the Board to be noted for Item 3 of meeting.

Declarations of Interest

In line with the process prescribed in the national "Local Enterprise Partnership governance and transparency: best practice guidance", following review of their Register of Interest Returns in advance of the meeting, the following Directors declared an interest in item 5 in advance of the meeting and withdrew from the meeting: Gerald Vernon-Jackson, Judith Grajewski, Seán Woodward, Christopher Hammond, Dave Stewart and Graham Galbraith.

The following declarations of interests were noted at the meeting in relation to Item 3 - Local Growth Fund Update:

Dave Stewart (not at meeting)

Isle of Wight Council applicant to Getting Building Fund.

Graham Galbraith (not at meeting)

University of Portsmouth applicant to Getting Building Fund.

Gerald Vernon-Jackson (not at meeting)

Portsmouth City Council applicant to Getting Building Fund and Solent Prosperity Fund.

Nick Loader

Unrelated tenancy relationship with applicant to Solent Prosperity Fund and Getting Building Fund (for noting only)

Chris Hammond (not at meeting)

Southampton City Council on behalf of PfSH application to Getting Building Fund

Sean Woodward (not at meeting)

M27 Junction 10, Solent Prosperity Fund and Getting Building Fund.

Rachael Randall

In relation to getting Building Fund and son undertaking an apprenticeship with one of the applicants (for noting only)

Judith Grajewski (not at meeting)

M27 Junction 10 and Solent Prosperity Fund

Sophie Mallon (not at meeting)

Portsmouth City Council applicant to Solent Prosperity Fund.

Chris Ward (not at meeting)

Portsmouth City Council and Isle of Wight Council applicants to Getting Building Fund and

	<p>Solent Prosperity Fund.</p> <p>Stuart Baker Spouse works at Hampshire County Council in unrelated role to LEP Business. (for noting only)</p>	
<p>3.</p>	<p>Local Growth Fund update to include:</p> <ul style="list-style-type: none"> • LGF review progress update • Solent Prosperity Fund (SPF) - full business case proposals for Southsea Flood defence scheme and ABP Shore power • Getting Building Fund final proposal <p><u>Local Growth Deal (LGD) Review.</u> Thanks were passed to the Executive Team and Board Members for their hard work and long hours that had been input into this item. The Board: Noted the update on the Local Growth Deal (LGD) Review.</p> <p><u>Solent Prosperity Fund (SPF)</u> An update was provided on the updated due diligence report for the Southsea Coastal Scheme Project and ABP Shore Power Project. The Board:</p> <ul style="list-style-type: none"> • Considered and Agreed the updated due diligence report for the Southsea Coastal Scheme Project and Agreed to award grant funding of £5,000,000 subject to successful conclusion of the public consultation and affordability and Delegated Authority to the Executive and Accountable Body to finalise funding agreements. • Considered and Agreed the updated due diligence report for the ABP Shore Power Project and Agreed to award grant funding of £4,400,000, subject to successful conclusion of the public consultation and affordability, and, responding to the requirements relating to economic benefits and grant intervention, and Delegated Authority to the Executive and Accountable Body to finalise funding agreements. <p><u>Quarterly Monitoring Report (QMR)</u> The Board:</p> <ul style="list-style-type: none"> • Noted the update on the M27 Junction 10 Quarterly Monitoring Report (QMR) and Agreed the QMR for submission to DfT. <p><u>Getting Building Fund final proposal</u> An update was provided on the Getting Building Fund process. The Board:</p> <ul style="list-style-type: none"> • Considered and Agreed the Getting Building Fund proposal and Delegated Authority to the Executive and Chair to finalise for submission to Government. • Agreed to support media activity and future site visits for these projects. 	
<p>4.</p>	<p>Any other business and meeting close No other business, meeting was closed.</p>	

Meeting closed at 09:56



**SOLENT
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Solent Local Enterprise Partnership Meeting of the Board of Directors

Held on Friday 17 July 2020 at 10:00 - 12:30 convened electronically over video conference

Meeting 2 Note

Present	In Attendance
Brian Johnson (Chair)	Stuart Baker (LEP Executive)
Anne-Marie Mountfield	Steve Futter (LEP Executive)
Jo Sawford	Nicola Twiddy (LEP Executive)
SJ Hunt	James Fitzgerald - Portsmouth City Council (as the Accountable Body)
Rachael Randall	Lloyd Clark - Portsmouth City Council (as the Accountable Body)
Kevin George	Sophie Mallon - Portsmouth City Council (as the Accountable Body)
Nick Loader	
David Youngs	
Paula Swain	Apologies
Gerald Vernon-Jackson	Graham Galbraith
Judith Grajewski	
Dave Stewart	Guests
Chris Hammond	Lucie Bailey & Ciaran Gunne-Jones from Lichfield (Item 5d only)
Seán Woodward	Lizzi Goodwin (Item 5b only)
Toni Wotton (CLGU)	
Will Jacobs (BEIS)	

Item		ACTION
1.	Welcome and Introduction Brian Johnson welcomed all to the meeting and explained the protocols which should be used for the duration of the Zoom call for votes and comments.	
2.	Apologies for Absence Apologies were noted from Graham Galbraith.	
3.	Notes of meeting held on 22 May 2020 The minutes from the Board meeting on 22 May 2020 were Agreed . A discussion has held on the use of digital platforms for sharing board papers (and their ability to view them) with Board Directors during the lockdown period and a review of public meetings as well as the LEP Assurance framework.	

	<p>In summary, the Board were advised that governance of the LEP remains at a high standard with meeting papers made available to members on a digital platform for the Board and Investment Panels, as well as published on the website as per the Assurance Framework. This is done a minimum of 5 working days in advance of a meeting, with the meeting note of meetings published post meeting. The Executive will review:</p> <ul style="list-style-type: none"> • how the Board papers are viewed and will provide the Board with an options appraisal at the next meet to include a range of consolidated digital platforms that meet GDPR requirements. Board members were asked to forward proposals to the Executive to inform this appraisal by 4 September 2020. • The forward plan to include consideration of further public meetings (taking into account that two public meetings have taken place in 2020 with the AGM in February and the Solent Growth Forum in June) <p>Jo Sawford stepped out of the meeting. Chris Hammond joined the meeting.</p>	<p>LEP Executive/ Board members</p>
<p>4.</p>	<p>Matters Arising and declarations of interest</p> <p>The following matters arising were raised: Page 3, Item 5 - at the last meeting the Board agreed to continue to invest in the Island Line project subject to adding promotion of the line in the conditions of the contract which has now almost been completed, subject to consideration by DfT.</p> <p>The following interests were noted ahead of the meeting:</p> <p><u>Sean Woodward</u></p> <p>Item 5a - Local Growth Deal Retained Schemes Update - update to be provided on M27J10 retained funding and decision required in relation to Stubbington Bypass (agreement of QMR - requirement to withdraw from the decision)</p> <p>Item 6 - Fareham Borough Council as member and Chair of PfSH application to Getting Building Fund. (For noting only, no Board decision required)</p> <p>Item 6 - M27 Junction 10, Solent Prosperity Fund and Getting Building Fund. (For noting only, no Board decision required).</p> <p>Item 7 - Hampshire County Council are represented on the Solent LEP Freeport Task and Finish Group. (For noting only, no Board decision required).</p> <p><u>Judith Grajewski</u></p> <p>Item 5a - Local Growth Deal Retained Schemes Update - update to be provided on M27J10 retained funding and decision required in relation to Stubbington Bypass (agreement of QMR - requirement to withdraw from the decision)</p> <p>Item 6 - Hampshire County Council as member of PfSH application to Getting Building Fund. (For noting only, no Board decision required)</p> <p>Item 6 - M27 Junction 10 and Solent Prosperity Fund. (For noting only, no Board decision required).</p> <p>Item 7 - Hampshire County Council are represented on the Solent LEP Freeport Task and Finish Group. (For noting only, no Board decision required).</p> <p><u>Dave Stewart</u></p> <p>Item 6 - Isle of Wight Council applicant to Getting Building Fund. (For noting only, no Board decision required).</p>	

Rachael Randall

Item 6 - In relation to getting Building Fund and son undertaking an apprenticeship with one of the applicants (for noting only)

Kevin George

Item 7 - Chair of the Solent LEP Freeport Task and Finish Group and representative of Red Funnel on the group. (For noting only, no Board decision required).

Paula Swain

Item 5a - Local Growth Deal Retained Schemes Update - update to be provided on M27J10. (For noting only, no Board decision required)

Christopher Hammond

Item 6 - Southampton City Council as member and accountable body of PfSH application to Getting Building Fund. (For noting only, no Board decision required)

Item 7 - Southampton City Council are represented on the Solent LEP Freeport Task and Finish Group. (For noting only, no Board decision required)

Graham Galbraith

Item 6 - University of Portsmouth applicant to Getting Building Fund. (Not at meeting, for noting only, no Board decision required)

Gerald Vernon-Jackson

Item 6 - Portsmouth City Council as member of PfSH application to Getting Building Fund. (For noting only, no Board decision required)

Item 6 - Portsmouth City Council applicant to Getting Building Fund and Solent Prosperity Fund. (For noting only, no Board decision required)

Item 7 - Portsmouth City Council and Portsmouth International Port are represented on the Solent LEP Freeport Task and Finish Group. (For noting only, no Board decision required)

Nick Loader

Item 6 - Unrelated tenancy relationship with applicant to Solent Prosperity Fund and Getting Building Fund. (For noting only, no Board decision required)

Item 7 - DP World are represented on the Solent LEP Freeport Task and Finish Group. (For noting only, no Board decision required)

Stuart Baker (for noting only)

Item 5a & 6 - Local Growth Deal Retained Schemes Update - update to be provided on M27J10 retained funding and decision required in relation to Stubbington Bypass (agreement of QMR)

Sophie Mallon

Item 6 - Portsmouth City Council applicant to Solent Prosperity Fund. (For noting only, no Board decision required)

Chris Ward

Item 6 - Portsmouth City Council and Isle of Wight Council applicants to Getting Building Fund and Solent Prosperity Fund. (Not at meeting, for noting only, no Board decision required)

<p>5a. Finance and funding report to include:</p>	<ul style="list-style-type: none"> • In year budget position for 2020/21 and financial forecasts to 2022/23 • Review of Risk registers • Approval of Statutory Accounts for Solent LEP Limited 2019/20 <p>Board Members were guided through the scenarios to spend funding under the Local Growth Deal (LGD) by 31 March 2021 considering what funding was already committed; risks of projects achieving their spend prior to the deadline and projects in the pipeline.</p> <p>The Board were provided with an update status on the Restart, Restore and Recover Loan Fund and the applications received to date and considered and agreed to approve in principle the loan application from Vectis Leisure Ltd.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Noted and Agreed the Corporate and Strategic Risk Register attached at appendix C. Gerald Vernon-Jackson and Judith Grajewski abstained from voting as they had been unable to fully review the Risk Register on the digital platform. • Considered and Agreed the 2019/20 Quarter 4 and the 2020/21 Quarter 1 Local Growth Deal Reporting and Data Submissions at Appendix D.1 and D.2 and delegated authority to the LEP Chief Executive and the Accountable Body's section 151 officer to finalise. • Considered and Agreed to approve in principle the loan application from Vectis Leisure Ltd and delegated final approval to LEP Chief Executive, Accountable Body S105 Officer, and LEP Chair, subject to receipt of a recovery plan and additional information as identified by the LEP and its accountable body. <p>Due to time constraints, Item 5a was put on hold to allow Lizzi Goodwin to attend the meeting for Item 5b.</p>	<p>LEP Executive</p>
<p>5b. Annual Internal Audit Report 2019/20</p>	<p>Lizzi Goodwin joined the meeting</p> <p>The Board were provided with an update as per the paper and the Board:</p> <p>Noted the Annual Audit Opinion in relation to audit work carried out during 2019/20.</p> <p>Lizzi Goodwin left the meeting. Jo Sawford re-joined the meeting.</p>	
<p>5a. Finance and funding report (continued)</p>	<p>The Board:</p> <ul style="list-style-type: none"> • Considered and Agreed the Quarterly Monitoring Report (QMR) for the Stubbington Bypass retained scheme retained schemes as attached at Appendix E. Judith Grajewski and Seán Woodward withdrew from the decision due to their register of interest in this item. • Agreed the revised budget for 2020/21 of £74,980,409 as set out in appendix A and the revised budget for the period 2021/22 to 2022/23 as set out in appendix B • Noted and Agreed the Solent LEP statutory accounts as prepared by the Accountable Body attached at Appendix F and Agreed for the Chair to sign them off. <p>The Board also:</p>	<p>LEP Executive</p>

	<ul style="list-style-type: none"> • Noted the updates in relation to the Local Growth Deal capital programme, the Retained Schemes and other legacy programmes at paragraph 7. • Considered the LGD funding scenarios presented at the meeting and noted the preferred option(s) at this stage. • Considered the key risks in relation to the defrayal of the Local Growth Deal Fund as set out in paragraphs 4.1 and 5.1 of this report. 	
5c.	<p>Annual report from SERCOM 2019/20</p> <p>The paper was taken as read and the Board:</p> <p>Considered and Agreed the 2019/20 Annual Report from the Search, Employment and Remuneration (SER) Committee.</p>	
5d.	<p>Presentation on final Solent 2050 Strategy and economic recovery plan progress review</p> <p>Lucie Bailey & Ciaran Gunne-Jones from Lichfield joined the meeting.</p> <p>The Board were provided with a presentation on the final Solent 2050 Strategy and economic recovery plan progress review.</p> <p>The LEP Executive will work to finalise the recovery plan for publication.</p> <p>The LEP Executive to work with Litchfields to engage with the two cities cultural leads and with Solent Transport on the transition to public transport and city to city connectivity so the narrative can be finalised and the report published.</p> <p>The Board Agreed to delegate authority to the LEP Executive and Chair to take forward.</p> <p>Lucie Bailey & Ciaran Gunne-Jones left the meeting.</p> <p>Kevin George left the meeting.</p>	<p>LEP Executive</p> <p>LEP Executive</p>
6.	<p>Local Growth Deal Update to include:</p> <ul style="list-style-type: none"> • LGF review • Update on Getting Building Fund <p>An update was provided on the Getting Building Fund process.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Noted the update on the Local Growth Deal (LGD) Review. • Noted the update on the Getting Building proposal <p>Dave Stewart left the meeting.</p>	
7.	<p>General updates to include:</p> <p>Due to time constraints the Board will receive the following updates electronically following the meeting:</p> <ul style="list-style-type: none"> • Solent Business Support Task Force and COVID 19 response • Verbal update from MUK Solent to include update on Freeport consultation 	<p>LEP Executive</p>

	<ul style="list-style-type: none"> • Skills Advisory Panel to include update on Institute of Technology initiative • Solent Growth Forum meeting on 26 June 2020 • Verbal update on Solent Leaders forum meeting on 6 July 2020 	
<p>8. Any other business</p>	<p>The Forward plan was taken as read.</p> <p>The Board Considered and Agreed the forward plan as set out in paper 8.</p> <p>The next meeting is schedule on 9 October 2020.</p>	

Meeting closed at 12:55

DRAFT

9.10.2020

Item 5a

Finance and Funding

Item Number: 5a
Item Title: Solent LEP Finance, Local Growth Deal and Retained Schemes updates
Meeting Date: 9 October 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 August 2020 and the forecast budgets for the period 2021/22 to 2022/23.
- 1.2 The opening budgets are as approved at the Board meeting on 17 July 2020 and the report sets out the projected outturn for the 2020/21 financial year which is a key year for the Solent LEP in that the Local Growth Deal (LGD) funding defrayal window is due to close on 31 March 2021.
- 1.3 The report identifies the key risks for the Board to consider and recommends action where appropriate to mitigate the potential to have to return any funding to Government particularly as there are now less than six months remaining of the main Local Growth Deal funding cycle.

2. Recommendations

2.1 It is recommended that:

- The revised budget for 2020/21 of £83,574,151 as set out in appendix A and the revised budget for the period 2021/22 to 2022/23 as set out in appendix B is **approved** by the LEP Board.

The Board are also asked to:

- **Note** and **Agree** the Corporate and Strategic Risk Register attached at appendix C.
- **Consider** the key risks in relation to the defrayal of the Local Growth Deal Fund and the Getting Building Fund as set out in paragraphs 4.1 and 4.2 of this report.
- **Note** the other funding updates and the RGF legacy programme update at paragraphs 5 and 6.
- **Consider** the Local Growth Deal (LGD) and Getting Building Fund (GBF) funding scenarios presented at the meeting and note the preferred option(s) at this stage.
- **Consider** the information and recommendation provided in respect of the RRR Loan application attached at appendix E.

2.2 Further more detailed information of the current position of the Growing Places Fund and the Local Growth Deal Programme and the high level Risk Matrix for the Local Growth Programme please see the reference folder where the full details are set out in individual appendices.

The Board are asked to **Consider** and delegate the **Approval** of the high-level risk matrix for the Local Growth Deal programme to the LEP Chief Executive and the Accountable Body's section 151 officer.

3. Budget movements

An analysis of the LEP's forecast expenditure for 2020/21 and the period 2021/22 to 2022/23 together with how this is funded is attached at appendix B. The additional resources / budget re-profiling since the last meeting of the Board on 17 July is set out in table 1 below.

Table 1 - Budget Re-profiling:

	Previous Years to 2019/20 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's	Total £000's
Budget Agreed at LEP Board 17th July 2020	157,146	74,980	15,960	850	248,936
<u>Additional funding:</u>					
ERDF Restart and Recovery, and Kick-starting Tourism Grant Fund		407			407
Peer Networks		150			150
Careers Enterprise Company / Enterprise Adviser Network		87	225		312
Getting Building Fund		7,950	7,950		15,900
<u>Re-profiling:</u>					
Growing Places Loan Fund			(150)		(150)
Growing Places Loan project management costs				150	150
Revised Budget	157,146	83,574	23,985	1,000	265,705
Cumulative Net GPL Fund Reserve Balance (see appendix D for details)		14,889	150	0	

4. Analysis of the Key Issues and Variances against the Approved Budgets

The key issues and risks in respect of the 2020/21 budget are set out below.

4.1 Local Growth Deal 2020/21

The latest position of the overall LGD programme is set out in detail in the reference folder and this reflects the latest position agreed by the LEP Board at its meeting on 17 July 2020.

Cumulative Position of LGD Funding:

In terms of cumulative LGD actual expenditure, and the expected contracted activity (excluding the SME support allocation of £2.5m) to the 31 August 2020, the figures in table 2 below show a 96.4% commitment against the total cumulative funded received to date of £146.9m.

Table 2: Local Growth Deal Summary - Cumulative Actual Expenditure and Expected Contracted Activity as at 31 August 2020

	Actual 2015/16 £	Actual 2016/17 £	Actual 2017/18 £	Actual 2018/19 £	Actual 2019/20 £	Actual / Forecast @ 31 August 2020 £	Total Cumulative Forecast to 31 August 2020 £	Cumulative Contracted Activity vs funding Received as at 31 August 2020
LGD Actual / Contracted	38,833,432	37,807,314	8,312,999	5,654,531	10,482,743	40,474,090	141,565,109	96.4%
LGD Received (incl DFT retained returned)	40,391,667	42,640,334	24,302,028	10,817,860	9,252,686	19,502,686	146,907,261	
Over / (Under) Spend against Allocation	(1,558,235)	(4,833,020)	(15,989,029)	(5,163,329)	1,230,057	20,971,404	(5,342,152)	

At the last Board meeting the LEP were waiting on confirmation from Government that the final third of the 2020/21 LGD allocation would be forthcoming and confirmation from DfT that they would return the £10.25m Solent Growth Deal funding retained by them to the LEP. In both cases this funding has been received and is included in the revised forecasts.

As a result of this, the LGD capital programme now includes the approved Southsea Coastal Defence and ABP Shore Power projects.

In addition to this funding has also been allocated for HCC to progress the M27 J10 business case to enable the completion of up to Stage 3 of the 5 Stage Highways England Project Control Framework process for M27 Junction 10 by the end of March 2021 which is a key deliverable required by Highways England as part of their approval of the advanced detailed design for this junction upgrade.

At the time of writing all of these funding agreements are in the latter stages of contract negotiations.

The LEP capital programme is now in its final year and we are at a critical stage with less than six months remaining in the current funding window to ensure that all of the funding is defrayed in order to avoid the risk of having to return any funds to Government.

This risk is further increased due to the impact of the COVID-19 pandemic where some projects had to stop work for a period of time which does mean we need to continue monitoring all legally contracted projects as in some cases it is likely that the tail of the funding will slip past the 31 March 2021 defrayal deadline.

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. The latest LGD position can be found in the reference folder for this meeting alongside the updated status of each scheme which have been RAG rated in the high-level delivery risk matrix.

This shows that there is up to £67.2m of either contractually committed or board approved funding remaining to be spent in the current financial year and the LEP Executive and Accountable Body are working closely with all scheme leads to ensure that claims are being received and processed to achieve the maximum defrayal possible.

Annual Progress Reviews

For the second year running, the Programme Delivery Team are undertaking annual progress reviews (APRs) for all LGD investments which contribute to the LEP's capital programme, some 25 individual projects and programmes. Whilst the scheduling and execution of these meetings does have resource implications for not only the LEP, but also the Accountable Body and beneficiary organisations, it does deliver real value in terms of improving communications, enhancing relationships and securing commitment to delivering the economic benefits of the LGD. This year, the APR has provided a useful forum for the discussion of project issues arising from COVID-19.

The APR cycle for 2020 will be concluded by the end of October, with the essential findings being reported to FFPMG in November, and board in December and it will inform our APR dialogue with HM Government in this, the final year of LGD expenditure.

COVID-19 Assessment of the Local Growth Deal Programme

As a result of the COVID-19 pandemic, the socio-economic context in which the LEP-funded projects are now operating is dramatically different to that in which they secured funding and were implemented. For this reason, Solent LEP have commissioned an independent review which aims to:

- understand to what extent the Covid-19 crisis has affected the projects' operation (e.g. their markets, suppliers, users) and their strategic value for the Solent area;
- Adjust expectations in terms of costs and benefits as a result of the possible short, medium and long-term impacts of the crisis;
- Identify key risks to the projects' delivery / continued operations.

The final version of the report is attached at appendix D to this report, and will be used to inform the mid-year review with HM Government during the first week of October.

Crest Nicholson - Centenary Quay

As highlighted in the above COVID-19 report, a number of schemes, particularly those which are building out at present, have seen direct impact as a result of the pandemic. In addition, delays to the programme of at least six months are expected because of delays in securing consents and as a result of social distancing measures and supply chain issues. The Board are advised that the project will present an update to FFPMG in November, with any further updates coming to the Board in December.

Isle of Wight Council - Floating Bridge

Since the LEP Board approved the updated business case and due diligence report for the Floating Bridge project in December 2019, the vessel operated at over 99% of its scheduled hours up until the end of June 2020. Scheduled maintenance work was undertaken in July, and whilst this was being completed, a major fault with the hydraulic system was identified. As a result, and at the time of writing, the vessel remains out of service. A foot passenger launch has been running for the scheduled hours whilst FB6 has been out of service.

The annual progress review for the Floating Bridge project took place on 22 September, and a verbal update will be given at the Board meeting. The Senior Responsible Officer for the project will also be asked to attend FFPMG in November, in order to provide a comprehensive update on the project including detail on how they intend to deliver on the conditions set down in the Local growth Deal funding agreement.

COVID-19 Restart, Restore and Recover (RRR) Loan Fund Update

The RRR Loan Fund was opened for applications on 15th June 2020 and the status of applications received to date is as follows:

COVID-19 RRR Loan Fund	Number	Total Loan Request
Ineligible applications	1	£200,000
Approved applications	2	£2,750,000
Unsuccessful applications	1	£120,000
Total number of applications undergoing due diligence	3	£1,538,946
Total number of applications (including total loan request)	7	£4,608,946

To date the board have approved two loans totalling £2,750,000. This exceeds the original budget allocation of £2,500,000 however this still affordable within approved budgets and will be discussed in the funding scenarios as part of this item

These two loans are going through contract negotiations which include the necessary security arrangements.

At present 3 applications are undergoing due diligence and the board will be asked to consider the due diligence and supporting recommendation for one of the applications as set out in appendix E.

The Board may want to consider making further funding available either through more loan support with a broader focus to include growth. This can be considered when reviewing the funding scenarios referred to in paragraph 4.3 below.

4.2 **Getting Building Fund**

The Accountable Body have now received the grant determination for the GBF allocation of £15.9m and the projects that this is funding have been added to the financial forecasts.

The key points from the grant determination are as follows:

- The agreed allocation has been split equally between the 2020/21 and 2021/22 financial years with an initial payment of £7.95m in September 2020 followed by a further indicative amount of £7.95m to be paid around April 2021.
- Government expect the initial £7.95m to be fully defrayed by 31 March 2021 and all GBF monies defrayed by 31 March 2022.

- The funding can only be used to support the GBF projects agreed with Government to secure the outcomes specified.

This profiling has been reflected in the updated forecasts and the AB and LEP Executive will continue to work with beneficiaries to see which projects are best placed to be able to defray the funding the most expediently whilst taking into account the risk that year two of the funding is only indicative at this stage.

A more detailed report on the status of the GBF can be found under item 5b of this agenda.

4.3 **LGD and GBF Defrayal Scenarios**

The LEP Executive and Accountable Body have further updated a range of funding scenarios that take into account the ongoing implications of COVID-19 and the risks regarding the maximum defrayal of both the LGD and GBF allocations by the 31 March 2021 deadline. These will be presented at the meeting for discussion.

5. **Other Funding Updates**

5.1 **Careers Enterprise Company / Enterprise Adviser Network**

Since the update at the last board meeting, a contract has now been agreed with the Careers and Enterprise Company (CEC) for £312,000 for the 2020/21 academic year and this has been added to the budget accordingly and this will support the careers and enterprise activity of the LEP.

5.2 **Peer Networks**

The grant agreement with BEIS for £150,000 has been signed by the S151 officer for the LEP. This £150,000 has been reflected in the forecasts. The funding is being provided by BEIS, as part of the response to COVID-19, to establish a programme that will see the creation of a series of peer networks (cohorts), with each group consisting of 8-11 owners or managers from the SME business community participating in each network. Led by an experienced action learning facilitator, these peer networks will typically meet fortnightly as part of delivering 18 hours of action learning through 2-3-hour sessions. Action learning is an approach to problem solving and learning in groups to bring about change in individuals, teams, organisations and systems. It is based on the principle that the most effective learning takes place in the context in which people are working. The programme is expected to commence in late October and conclude by the end of the financial year.

5.3 **ERDF Restart and Recovery, and Kick-starting Tourism Grant Fund**

The £407,000 Restart and Recovery & Kick-starting Tourism grant fund is funded by the European Regional Development Fund and has been created specifically to help small and medium-sized enterprises (SMEs) in the Solent LEP area to adapt and diversify in response to the impacts of Covid-19. At least £157,000 of the fund is ring-fenced to support the visitor economy and the remaining funds open to applications from SMEs in the wider economy.

The fund is operating as a 'child' project of the existing ERDF project run by the University of Portsmouth, as Government would only make the funding available to LEP areas through an existing ERDF agreement, to ensure funding could be transferred quickly.

An initial funding call was launched on 16 September 2020 for eligible SMEs to access grants of between £1,000 - £3,000 (and up to £5,000 in exceptional circumstances) and closed on 23rd September. A verbal update on the progress of the funding call will be given at the meeting.

6. **Regional Growth Fund Legacy Programmes**

As previously reported to the Board, all of the LEP Regional Growth Fund (RGF) programmes are now in the closure phase, and the LEP Executive and Accountable Body are continuing to work closely with the central RGF team on this activity.

A verbal update on specific legacy projects will be provided at the meeting.

7. Risks

7.1 General

The LEP Executive and Accountable Body have always ensured that there is a prudent element of contingency / reserves set aside in the budget. This funding can cover a number of risks or provide additional resources should there be a requirement to increase capacity for specific pieces of work or for other unforeseen circumstances.

At present there is a possible legal challenge that the LEP could be required to respond to as well as a requirement to repay some of the regional growth fund grants which although is the responsibility of the grant recipients could fall on the LEP in the short term whilst correspondence between parties continues.

The Board are therefore reminded of the financial prudence to maintain the current levels of contingency and to increase them accordingly should further resources become available.

7.2 Return of Funding to Government

There are now less than six months remaining of the current Local Growth Deal funding window and coupled with the impact of Coronavirus and the uncertainty around receiving the remaining LGD allocations, the risk of returning funding to government remains high.

Alongside this the FPPMG and LEP 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 maximise investment opportunities for the area. This will be discussed further when the scenarios are presented at the meeting.

The Accountable Body are also investigating the possibility of providing a legitimate capital switch mechanism to give further flexibility should some funding need to be re-profiled into the 2021/22 financial year.

8. Financial Summary

The latest forecast outturn for the LEP Budget for 2020/21 is set out in appendix A with the future years forecasts shown in appendix B with the main financial risks as set out in this report.

The Board are reminded that there are less than six months in which to defray the Local Growth Deal funding and will therefore need to continue to take proactive decisions at the earliest possible stage to help maximise the defrayal of expenditure within the timelines set by Government. Alongside this, the defrayal target for the current financial year is £84m, which is a significant sum and far in excess of what has been actually spent in any of the previous years. It should be noted however that almost half of this relates to two major schemes (Stubbington Bypass - £27m - and North Whiteley - £12m) that are continuing to progress well after the inevitable delays caused by the enforced lock down of the country.

The balance relates largely to other major projects already contracted and on site with the remainder set aside for projects and programmes approved by the Board for which contracts are due to be signed imminently and the GBF project recently approved by the Board.

The Accountable Body will continue to ensure that any funding commitments remain affordable within the overall financial envelope.

9. Equality impact assessment

An EIA is not required at this stage. EIA's are not required for note items and, in relation to decisions, these relate to agreement of programme-wide budgets (as opposed to any new investment decisions) and internal risk registers

10. Legal implications

With reference to:-

The revised budget for 2020/21 of £83,574,151 as set out in appendix A and the revised budget for the period 2021/22 to 2022/23 as set out in appendix B being approved by the LEP Board. PCC's (acting as accountable body for the LEP) s.151 officer acts as the Chief Finance officer (by the relevant delegation powers) for the LEP and is in receipt of a general delegation from the Council in order to manage such matters.

- 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. Any consideration of the key risks in relation to the defrayal of the Local Growth Deal Fund and getting building fund as set out in paragraphs 4.1 and 4.2 of this report. Legal considerations in terms of deliverables to secure defrayal will be reviewed by legal as and when necessary.
- iii. The noting and consideration of funding updates for the RR loan application - the necessary and required due diligence will be taken upfront to ensure the necessary security and financial appraisal feeds into any such decision to approve by the Board at a later date.

11. 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 2020/21

Enterprise (Business Support)	Full Year Budget 2020/21*	Actual Expenditure up to 31 August 2020	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 21 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2021/22	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	2,788,637	264,590	2,788,637	0	0	0	0
Natural Enterprise - Grant Programme	150,000	0	150,000	0	0	0	0
Natural Enterprise - Rural Resilience (COVID19 Response)	100,000	0	100,000	0	0	0	0
Other Enterprise Initiatives:							
Solent Growth Hub	536,500	177,655	536,500	0	0	0	0
Peer Networks	0	0	150,000	150,000			150,000
Pay It Forward - Micro / Small Business Support (Revenue)	580,000	315,612	580,000	0	0		
ERDF Restart and Recovery, and Kickstarting Tourism Grant Fund	0	0	407,341	407,341			407,341
SME Support - Business Intelligence and Readiness	0	(450)	0	0	0	0	0
Enterprise Total	4,155,137	757,406	4,712,478	557,341	0	0	557,341
Infrastructure (Land & Property)							
Full Year Budget 2020/21*	£	£	£	£	£	£	£
GPL Contingency Provisions and Programme Management costs							
Growing Places Loan Fund Programme Management Costs	91,425	35,699	91,425	0	0	0	0
Sub-total: GPL Contingency Provisions and Programme Management costs	91,425	35,699	91,425	0	0	0	0
Solent Growth Deal:							
Newgate Lane South	(500,000)	(500,000)	(500,000)	0	0	0	0
Fareham and Gosport multiyear programme (A27 Dualling)	(270,000)	0	(270,000)	0	0	0	0
North Whiteley Transport Improvements	12,094,720	1,516,472	12,094,720	0	0	0	0
Solent Growth Deal - Programme Management Costs	154,205	128,857	154,205	0	0	0	0
Stubbington Bypass - LGD forward funding	1,500,000	0	1,500,000	0	0	0	0
A326 Highway Improvements	5,680,000	0	5,680,000	0	0	0	0
IOW Island Line - Brading Loop	700,000	0	700,000	0	0	0	0
University of Portsmouth - Centre for Creative and Immersive XR	3,617,561	0	3,617,561	0	0	0	0
COVID-19 Loan Fund	2,500,000	0	2,750,000	250,000	0	250,000	0
Southsea Coastal Defences	0	0	5,000,000	5,000,000	0	5,000,000	0
ABP - Shore Power Initiative	0	0	4,434,350	4,434,350	0	4,434,350	0
M27 J10 - Business Case progression	0	0	900,000	900,000	0	900,000	0
LGD funding for allocation	3,176,502	0	2,842,152	(334,350)	0	(334,350)	0
Sub-total - Local Growth Deal	28,652,988	1,145,330	38,902,988	10,250,000	0	10,250,000	0
DfT Retained Schemes							
Stubbington Bypass	25,499,000	0	25,499,000	0	0	0	0
Stubbington Bypass - Programme Management Costs	201,000	63,347	201,000	0	0	0	0
<i>Growth deal provisional allocation for M27 Junction 10 (post 2016)</i>	10,250,000	0	0	(10,250,000)	0	(10,250,000)	0
Sub-total - DfT Retained Schemes	35,950,000	63,347	25,700,000	(10,250,000)	0	(10,250,000)	0
Getting Building Fund							
Port of Southampton Cruise Terminal	0	0	4,000,000	4,000,000	0	0	4,000,000
Enzyme Recycling Techniques - Building an Industrial Engagement Hub	0	0	500,000	500,000	0	0	500,000
Fawley Waterside Digital	0	0	375,000	375,000	0	0	375,000
Branstone Farm Rural Employment Hub	0	0	1,100,000	1,100,000	0	0	1,100,000
Woolston 'Silicon Wharf' - Low carbon marine logistics technology and control centre	0	0	700,000	700,000	0	0	700,000
PfSH Nutrients	0	0	1,000,000	1,000,000	0	0	1,000,000
Programme Management	0	0	275,000	275,000	0	0	275,000
Sub-total - Getting Building Fund	0	0	7,950,000	7,950,000	0	0	7,950,000
Other Capital Funding Programmes:							
Building Foundations for Growth Capital Grant for EZ	417,783	0	417,783	0	0	0	0

Other Infrastructure Funding:							
Capacity funding	36,801	4,727	36,801	0	0	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	65,202,026	1,249,102	73,152,026	7,950,000	0	0	7,950,000

Place	Full Year Budget 2020/21*	Actual Expenditure up to 31 August 2020	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 21 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2021/22	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Capacity Funding	3,672	2,013	3,672	0	0	0	0
Place Total	3,672	2,013	3,672	0	0	0	0

Skills	Full Year Budget 2020/21*	Actual Expenditure up to 31 August 2020	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 21 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2021/22	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	430,582	375,974	430,582	0	0	0	0
Capacity funding	87,595	33,002	87,595	0	0	0	0
Solent Employer Ownership Programme	46	0	46	0	0	0	0
Careers Enterprise Company / Enterprise Adviser Network	368,496	113,014	454,897	86,401	86,401	0	0
Skills Advisory Panels	127,330	9,154	127,330	0	0	0	0
Skills Total	1,014,049	531,145	1,100,450	86,401	86,401	0	0

Strategic Sectors	Full Year Budget 2020/21*	Actual Expenditure up to 31 August 2020	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 21 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2021/22	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	2,564,664	3,320,666	0	0	0	0
Southampton Solent University - Warsash School of Maritime Science and Engineering	0	0	0	0	0	0	0
Martime UK Solent: Capacity Funding	50,000	22,453	50,000	0	0	0	0
Strategic Sectors Total	3,370,666	2,587,117	3,370,666	0	0	0	0

Innovation	Full Year Budget 2020/21*	Actual Expenditure up to 31 August 2020	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 21 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2021/22	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
BAE Marine & Maritime Test Bed	(456,633)	(456,633)	(456,633)	0	0	0	0
Capacity Funding	88,465	0	88,465	0	0	0	0
Innovation Total	(368,168)	(456,633)	(368,168)	0	0	0	0

Operational Central Costs	Full Year Budget 2020/21*	Actual Expenditure up to 31 August 2020	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 21 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2021/22	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Staffing costs	500,000	201,825	500,000	0	0	0	0
Office costs	95,000	22,710	95,000	0	0	0	0
Finance costs including forecast costs for Democratic Services for future years	80,000	29,918	80,000	0	0	0	0
Legal support	70,000	9,776	70,000	0	0	0	0
Marketing & Communication costs	100,000	17,137	100,000	0	0	0	0
Contingency / Reserves	450,000	0	450,000	0	0	0	0
Solent 2050	281,027	128,766	281,027	0	0	0	0
LEP Network	27,000	7,000	27,000	0	0	0	0
Operational Central Costs Total	1,603,027	417,132	1,603,027	0	0	0	0

Total LEP Budget	74,980,409	5,087,282	83,574,151	8,593,742	86,401	0	8,507,341
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* As agreed at LEP Board 17 July 2020

SOLENT LOCAL ENTERPRISE PARTNERSHIP - BUDGET FORECAST TO 2022/23

ENTERPRISE (BUSINESS SUPPORT)	Actual Expenditure to end 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	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)	2,415,719	-	-	-	2,415,719	2,415,719	-
SME Support (Transition)	-	2,650,000	-	-	2,650,000	2,650,000	-
Repayment of ERDF Funded Grant Awards to DCLG	91,591	-	-	-	91,591	91,591	-
ERDF BTG - Awards (ERDF Funded)	84,446	-	-	-	84,446	84,446	-
ERDF BTG - Awards (LGD Match Funded)	-	-	-	-	0	0	-
Natural Enterprise - Grant Programme	1,330,000	150,000	-	-	1,480,000	1,480,000	-
Natural Enterprise - Rural Resilience (COVID19 Response)	-	100,000	-	-	100,000	100,000	-
Matched funding for ERDF Growth Accelerator Fund	-	-	-	-	0	0	-
Solent Growth Fund (Growth deal - 2015/16 to 2021) - Programme Management	761,363	138,637	-	-	900,000	900,000	-
Solent Growth Hub (Growth deal - 2015/16 to 2021)	1,139,311	536,500	158,255	-	1,834,066	1,834,066	-
Peer Networks	-	150,000	-	-	150,000	150,000	-
Pay It Forward - Micro / Small Business Support (Revenue)	20,000	580,000	-	-	600,000	600,000	-
ERDF Restart and Recovery, and Kickstarting Tourism Grant Fund	-	407,341	-	-	407,341	407,341	-
SME Support - Business Intelligence and Readiness	96,579	-	-	-	96,579	96,579	-
Improving Digital Capability for SME's (LGD funded 2019/20 onwards via Solent Prosperity Fund)	112,502	-	-	-	112,502	112,502	-
Enterprise Total	12,851,440	4,712,478	158,255	0	17,722,173	17,722,173	-
INFRASTRUCTURE (Land & Property)	Actual Expenditure to end 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	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)	-	-	13,762,916	-	13,762,916	13,762,916	-
Growing Places Loan Fund: Capital Loans Advanced / Available	13,000,000		13,762,916		26,762,916	26,762,916	-
Grants allocated (not repayable)							
Stubbington Bypass indemnity	-	-	-	-	0	0	-
Funding set aside to underwrite LGD overprogramming if required	-	-	-	-	0	0	-
Use of Fund for other Purposes (not repayable):							
- Growing Places Loan Fund Programme Management Costs	208,575	91,425	150,000	150,000	600,000	600,000	-
Growing Places Loan Fund: Fund used and not repayable	208,575	91,425	150,000	150,000	600,000	600,000	-

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	1,905,280	12,094,720	-	-	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	-	-	-	-	0	0	-
Stubbington Bypass - LGD forward funding	7,000,000	1,500,000	-	-	8,500,000	8,500,000	-
Solent Growth Deal - Programme Management Costs	1,724,097	154,205	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	-
CCIXR	-	3,617,561	-	-	3,617,561	3,617,561	-
COVID-19 Loan Fund	-	2,750,000	-	-	2,750,000	2,750,000	-
Southsea Coastal Defences	-	5,000,000	-	-	5,000,000	5,000,000	-
ABP - Shore Power Initiative	-	4,434,350	-	-	4,434,350	4,434,350	-
M27 J10 - business case progression	-	900,000	-	-	900,000	900,000	-
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 for allocation	-	2,842,152	-	-	2,842,152	2,842,152	-
SUB TOTAL: Solent Growth Deal:	56,300,769	38,902,988	200,000	-	95,403,757	95,403,757	-
DfT Retained Schemes							
Stubbington Bypass	-	25,499,000	-	-	25,499,000	25,499,000	-
Stubbington Bypass - Programme Management Costs	-	201,000	-	-	201,000	201,000	-
M27 J10 - Initial Business Case preparation	4,650,000	-	-	-	4,650,000	4,650,000	-
SUB TOTAL: DfT Retained Schemes:	4,650,000	25,700,000	-	-	30,350,000	30,350,000	-
Getting Building Fund							
Port of Southampton Cruise Terminal	-	4,000,000	4,000,000	-	8,000,000	8,000,000	-
Enzyme Recycling Techniques - Building an Industrial Engagement Hub	-	500,000	500,000	-	1,000,000	1,000,000	-
Fawley Waterside Digital	-	375,000	375,000	-	750,000	750,000	-
Branstone Farm Rural Employment Hub	-	1,100,000	1,125,000	-	2,225,000	2,225,000	-
Woolston 'Silicon Wharf' - Low carbon marine logistics technology and control centre	-	700,000	700,000	-	1,400,000	1,400,000	-
PfSH Nutrients	-	1,000,000	1,000,000	-	2,000,000	2,000,000	-
Programme Management	-	275,000	250,000	-	525,000	525,000	-
Sub-total - Getting Building Fund	-	7,950,000	7,950,000	-	15,900,000	15,900,000	-
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	438,199	36,801	-	-	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	89,014,602	73,152,026	22,062,916	150,000	184,379,544	184,379,544	-

PLACE	Actual Expenditure to end 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Total Budget	Total Forecast Expenditure	Variance
Capacity funding	331,328	3,672	-	-	335,000	335,000	-
Place Total	331,328	3,672	0	0	335,000	335,000	-

SKILLS	Actual Expenditure to end 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	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	2,402,418	430,582	-	-	2,833,000	2,833,000	-
Capacity funding	404,542	87,595	-	-	492,137	492,137	-
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	792,503	454,897	225,186	-	1,472,586	1,472,586	-
Skills Advisory Panels	22,670	127,330	-	-	150,000	150,000	-
Skills Total	29,157,933	1,100,450	225,186	0	30,483,569	30,483,569	0

STRATEGIC SECTORS	Actual Expenditure to end 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	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	3,320,666	-	-	5,000,000	5,000,000	-
Southampton Solent University - Warsash School of Maritime Science and Engineering	7,464,200	-	-	-	7,464,200	7,464,200	-
<u>MARITIME UK SOLENT</u>							
Capacity funding	272,935	50,000	37,065	-	360,000	360,000	-
Strategic Sectors Total	12,171,888	3,370,666	37,065	0	15,579,619	15,579,619	-

INNOVATION	Actual Expenditure to end 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	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	91,535	88,465	-	-	180,000	180,000	-
Innovation	8,836,686	(368,168)	0	0	8,468,518	8,468,518	0

OPERATIONAL CENTRAL COSTS	Actual Expenditure to end 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Total Budget	Total Forecast Expenditure	Variance
Staffing costs	2,095,283	500,000	500,000	300,000	3,395,283	3,395,283	-
Office costs	602,956	95,000	95,000	50,000	842,956	842,956	-
Finance costs incl forecast costs for Democratic Services for future years	449,050	80,000	80,000	50,000	659,050	659,050	-
Legal support	261,651	70,000	70,000	50,000	451,651	451,651	-
Marketing & Communication costs	445,892	100,000	100,000	50,000	695,892	695,892	-
Contingency / Reserves	-	450,000	450,000	349,960	1,249,960	1,249,960	-
Solent 2050	890,250	281,027	198,740	-	1,370,017	1,370,017	-
SEEDA legacy funding for business engagement	-	-	-	-	0	0	-
LEP Network and Southern LEP's	37,000	27,000	8,256	-	72,256	72,256	-
Operational Central Costs Total	4,782,082	1,603,027	1,501,996	849,960	8,737,065	8,737,065	-

LEP BUDGET GRAND TOTAL	Actual Expenditure to end 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Total Budget	Total Forecast Expenditure	Variance
	157,145,958	83,574,151	23,985,418	999,960	265,705,487	265,705,487	-

FUNDING SUMMARY	Actual Expenditure to end 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	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	101,091,020	35,566,241	-	-	136,657,261
Temporary Local Growth Deal Switch with PCC Capital Resources	1,000,000	-	-	-	1,000,000
DfT Funding for Retained Schemes	4,650,000	35,950,000	-	-	40,600,000
DCLG Infrastructure House Building Capital Fund (CQ)	7,675,921	-	-	-	7,675,921
Solent Growth Hub	1,070,000	536,500	-	-	1,606,500
Peer Networks	-	150,000	-	-	150,000
Solent Futures RGF Round 3	2,912,855	-	-	-	2,912,855
Growing Places Fund - Revenue	1,059,797	124,883	230,000	-	1,414,680
Growing Places Fund - Capital	13,000,000	-	13,762,916	-	26,762,916
Growing Places Fund - Contingency Provisions and Programme Management Costs	868,068	981,672	976,555	150,000	2,976,295
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	478,564	394,379	84,644	-	957,587
Enterprise Advice Network - Matched Funding (Interest Earned)	313,940	60,518	140,542	-	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	669,039	230,961	-	-	900,000
Transport Excellence	36,000	-	-	-	36,000
BIS - Capacity Fund	539,370	137,430	150,000	-	826,800
BIS - Core Funding	1,490,254	184,746	205,000	500,000	2,380,000
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	1,041,631	311,027	285,761	188,295	1,826,714
Local Authority Funding - PUSH, Hampshire & IOW	300,000	-	-	-	300,000
SEEDA legacy funding for business engagement	200,000	-	-	-	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	22,670	127,330	-	-	150,000
ERDF UoP Funding	-	407,341	-	-	407,341
ERDF Legacy Funding	-	-	-	161,665	161,665
ERDF Funding - Revenue Funding funded from Interest	91,591	267	-	-	91,858
ERDF Funding - Bridging the Gap (matched funding SGF)	(0)	-	-	-	(0)
Getting Building Fund	-	7,950,000	7,950,000	-	15,900,000
Grant Total - Funding	157,145,959	83,574,151	23,985,418	999,960	265,705,487

Growing Places Fund - Forecast Reserve for Future Projects	Budget 2020/21	Budget 2021/22	Budget 2022/23	Total Budget
Net Cumulative Growing Places Reserve Forecast - see appendix D for details	14,889,471	150,000	(0)	(0)

TOTAL FUNDING TO SUPPORT LEP ACTIVITY	265,705,487
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APPENDIX C

Corporate and Strategic Risk Register

A confidential report will be considered at the meeting

APPENDIX D

COVID-19 Assessment of the Local Growth Deal Programme

A confidential report will be considered at the meeting

APPENDIX E

Restart, Restore and Recover (RRR) Loan Fund

A confidential report will be considered at the meeting

9.10.2020

Item 5b

Getting Building Fund Update

Item Number: 5b
Item Title: Getting Building Fund Update
Meeting Date: 9th October 2020
Purpose: For Information 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. Draft Resolution

Board members are asked to:

- **Note** the update on the Getting Building Fund
- **Note** the Getting Building Fund project status tracker at annexe B
- **Consider** and **Agree** the due diligence report at annexe C for Centre for Enzyme Innovation
- **Consider** and **Agree** the due diligence report at annexe D for Silicon Wharf
- **Note** the Interim due diligence report at annexe E for Fawley Waterside Digital
- **Note** the Interim due diligence report at annexe F for Branstone Farm Rural Employment Hub
- **Agree** to delegate authority to the LEP Executive and the Accountable body to finalise funding agreements for schemes as directed by the board

2. Overview

This paper updates the Board on the six projects the LEP Board and Government agreed to fund, in principle, under the Getting Building Fund.

3. Getting Building Fund

At the 17th July Board meeting the Board agreed the six projects that it would fund with the £15.9m Getting Building Fund allocation awarded to the LEP in a letter from the then Minister for Regional Growth and Local Government, Simon Clarke MP, dated 1st July 2020. The list of projects is set out below:

- Fifth Cruise Terminal at Port of Southampton - ABP
- Centre for Enzyme Innovation- University of Portsmouth
- Silicon Wharf - Low carbon marine logistics technology and control centre - Ocean Infinity
- Fawley Waterside Digital - Fawley Waterside
- Branstone Farm Rural Employment Hub - Isle of Wight Council
- Nutrient Mitigation - PFSH / Hampshire and Isle of Wight Wildlife Trust

This list was confirmed by the Government on 4th August 2020 in the Getting Building Fund Summary sheet at annexe A. As set out in the footnote on page 1 of annexe A, projects are required to undergo further quality assurance before being finalised and confirmed in grant offer letters. The Executive has been working with project leads on this process and a Getting Building Fund project status tracker is provided at annexe B.

Board members will know that the fifth cruise terminal at the Port of Southampton project is aiming to be ready for the summer 2021 and as a result the Board considered the business case and agreed the independent due diligence report earlier in September 2020 awarding up to £8m of funding from the Getting Building Fund through written resolution, subject to receipt of the funding and any specific compliance stipulations / grant conditions from Government. A further update on this project will be provided at the meeting.

The due diligence reports for the following projects are provided as annexes C-F:

- Final due diligence report for Centre for Enzyme Innovation- University of Portsmouth (Annexe C)
- Final due diligence report for Silicon Wharf - Low carbon marine logistics technology and control centre - Ocean Infinity (Annexe D)
- Interim due diligence report for Fawley Waterside Digital - Fawley Waterside (Annexe E)
- Interim due diligence report for Branstone Farm Rural Employment Hub - Isle of Wight Council (Annexe F)

Any funding awards by the LEP Board would be made subject to the conditions set out in the due diligence reports and in accordance with the grant determination letter for the Getting Building Fund, which was received in late September. The board should note that the funding is to be deployed solely in accordance with decisions made through the local growth assurance framework agreed between the LEP and the Accountable Body. This must be compliant with the standards outlined in the National Local Growth Assurance Framework.

The innovative Nitrates Mitigation project, proposed by Partnership for South Hampshire (PfSH), relates to the purchase of agricultural land for re-wilding (and so reducing nitrates filtering into watercourses). The re-wilding land is sufficient to unlock circa 1,500 houses that are currently held up in the planning approval process. At the time of writing the LEP is working with PfSH and Hampshire and Isle of Wight Wildlife Trust (HIoWWT) to discuss the timeline for bringing this project forward and an update on this will be provided at the Board meeting.

4. Legal implications

There are no specific matters requiring legal comment, suffice to say that there exists relevant delegations to implement and ratify the proposed decisions. Portsmouth City Council's sec 151 Officer is in effect the Chief Finance Officer to the LEP and retains the appropriate range of powers to act as delegated to him from Portsmouth City Council.

5. Equality impact assessment

An EIA has been prepared in relation to the Getting Building Fund and is provided in Annexe G. There are no negative impacts on groups identified in the EIA.

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

All funding agreements entered into will clearly set out the maximum funding that has been allocated to each project and the pre-conditions will include a requirement from the Chief Financial Officer of each beneficiary organisation to agree to underwrite any project overspends.

The details of the profile of the Getting Building Fund, the risks that this profiling could mean to the Solent LEP and how this is intended to be managed is set out under item 5a of this agenda.

7. Decision Summary

Board members are asked to:

- **Note** the update on the Getting Building Fund
- **Note** the Getting Building Fund project status tracker at annexe B
- **Consider** and **Agree** the due diligence report at annexe C for Centre for Enzyme Innovation
- **Consider** and **Agree** the due diligence report at annexe D for Silicon Wharf
- **Note** the Interim due diligence report at annexe E for Fawley Waterside Digital
- **Note** the Interim due diligence report at annexe F for Branstone Farm Rural Employment Hub
- **Agree** to delegate authority to the LEP Executive and the Accountable body to finalise funding agreements as directed by the board

SOLENT LEP GETTING BUILDING FUND

The Government is making £900 million available through the new Getting Building Fund (GBF) for investment in local, shovel-ready infrastructure projects to stimulate jobs and support economic recovery across the country. **Solent LEP** has been allocated **£15.9m** from the GBF for a wide-ranging package of projects that will deliver a much-needed boost to the local economy.

In Solent LEP, the funded projects are expected to help position the Solent as the UK's capital of coastal renaissance, harnessing new technologies and approaches to revitalise coastal communities, and delivering decarbonisation in one of the UK's most significant carbon generating clusters. The projects include an iconic cruise terminal complete with solar generation and 'shore power' facilities, an Enzyme Innovation centre to develop green recovery solutions for the breakdown of plastics, and a Rural Employment Hub on the Isle of Wight unlocking multiple affordable housing units and generating hundreds of jobs.

Indicative outputs¹

Direct Jobs Created	730
Construction Jobs Created	3,630
Jobs Safeguarded	10
Houses Unlocked	1,560
Commercial Space Unlocked (sqm)	2,800
New or Improved Learning / Training Space Unlocked (sqm)	440
New Learners Assisted	60
Businesses Assisted	230
Roads/Cycle Lanes/Walkways Unlocked (km)	3
R&D Floorspace (sqm)	480
Public Realm/ Green Space Improved/Created (sqm)	42,500
New superfast broadband connections	23,050
CO2 emissions saved (kg)	34,008,660

Summary of projects

Project	Description
1. Port of Southampton Cruise Terminal	A new fifth Cruise Terminal will deliver an iconic wave inspired building complete with solar generation and shore power, ensuring a world leading zero emissions facility for cruise vessels in port.
2. Enzyme Recycling Techniques - Building an Industrial Engagement Hub, Portsmouth	The £1.7m Centre for Enzyme Innovation (CEI) develops green recovery solutions for the breakdown of plastics, enabling their re-use, tackling one of the world's greatest pollution challenges. The Industrial Engagement Hub creates a 281 sqm physical environment for companies to engage with the science,

¹ The outputs listed are locally reported and will undergo further quality assurance before being finalised and confirmed in grant offer letters.

	access facilities and become a testbed for growing local and national partnerships.
3. Fawley Waterside Digital	Taking advantage of planned highway upgrades, this £1.5m project will facilitate upgrades to the network resilience of the waterfront community.
4. Branstone Farm, Isle of Wight – Rural Employment Hub	<p>A mixed-use development designed to act as a template for sustainable work/live developments. This is an exemplar project, bringing to life the island’s recently acquired Biosphere status, regeneration strategy and emerging land use plan.</p> <p>The development provides 42 affordable housing units and commercial space in new and renovated buildings, creating 100 new jobs.</p>
5. Woolston 'Silicon Wharf' – Low carbon marine logistics technology and control centre	<p>The future of marine transportation is shifting towards low CO2 emission vessels and reduced crew. This will be realised through multi-role electric and hybrid robotic vessels.</p> <p>Establishing a hotbed of innovation around low carbon marine logistics and initiating collaborative projects with local tech companies and universities, this project will double the size of the control centre in Southampton and establish a robotic operator training centre, creating 100 high value jobs, training operators and support the supply chain.</p>
6. Partnership for South Hampshire (PfSH) Nutrients	Funding will be used to mitigate against nutrients through the repurposing of agricultural land enabling 1,522 houses to be built whilst unlocking an additional 3,000 construction jobs. This mitigation will allow permission to be granted and develop strategic mitigation to deliver on housing requirements in the Solent LEP area.

Solent LEP will be expected to deliver the agreed projects but will have flexibility to deliver the greatest economic benefits to the area. Any significant changes to the projects should be discussed with the Government in advance, and all investment decisions must be undertaken in line with locally agreed audit and scrutiny arrangements.

Annexe B – Getting Building Fund Project Tracker

A confidential report will be considered at the meeting

**Annexe C – CEI expansion Industrial engagement hub Univeristy of Portsmouth : Review of Full
Business Case Submission**

A confidential report will be considered at the meeting

Annexe D – Silicon Wharf : Review of Full Business Case Submission

A confidential report will be considered at the meeting

Annexe E – Fawley Waterside : Review of Business Plan Submission – interim report

A confidential report will be considered at the meeting

Annexe F – Branstone Rural Employment Hub : Interim due diligence report

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) :

Getting Building Fund.

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 COVID-19 pandemic has had a devastating economic impact on the UK and globally. Independent evidence forecasts that coastal communities / economies will be hardest hit by the economic impacts of the pandemic. Government has launched a number of initiatives to support businesses and individuals. In June the Secretary of State for MHCLG invited LEPs / MCAs to submit bids to the Getting Building Fund for "exceptional" shovel ready projects capable of delivery by March 2022.

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

The LEP wrote to LA's, Universities, Colleges, and a range of business that we had engaged with to invite proposals to come forward. The Fund aims to support the recovery of the Solent economy from the economic impacts of COVID-19.

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 fund aims to support any projects who feels they would benefit from this funding and so does not discriminate in anyway.

Q8 - Who was involved in the EIA?

Stuart Baker

This EIA has been approved by: Richard Jones

Contact number:

023 9268 8676

Date:

24th August 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

9.10.2020

Item 5c

Mid-year review of 2020/21 Delivery Plan

Item 5C

Title: Mid-Year Review
Date: 9th October 2020
Purpose: For Information

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.

Background

As part of the assurance monitoring process, the National Local Growth Assurance Framework requires all LEPs 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.

The LEP Board agreed a Delivery Plan for 2020/21 at their meeting on 9th March 2020, however, following the Covid-19 pandemic, work was undertaken to review the delivery plan and a revised version was agreed by the Board at an extraordinary meeting held on 22nd April 2020. The Delivery Plan was published on 30th April 2020 and a copy of this is available at: <https://solentlep.org.uk/media/2999/solent-lep-delivery-plan-rev-april-2020-final.pdf>

The LEPs next Annual Report will need to provide an update on progress against the delivery plan and it is good practice for the Board to undertake a mid-year review of activity against the delivery plan. In addition to this, Board Members will be aware that the LEP undertakes a formal Annual Performance Review with Government each year and it is anticipated that progress against the delivery plan will form part of this review. The Government do also undertake a mid-year review with the LEP - which is an officer-led process - and Board Members should note that the 2020 mid-year review will take place virtually on 7th October 2020. A verbal update on the mid-year review meeting will be provided at the meeting.

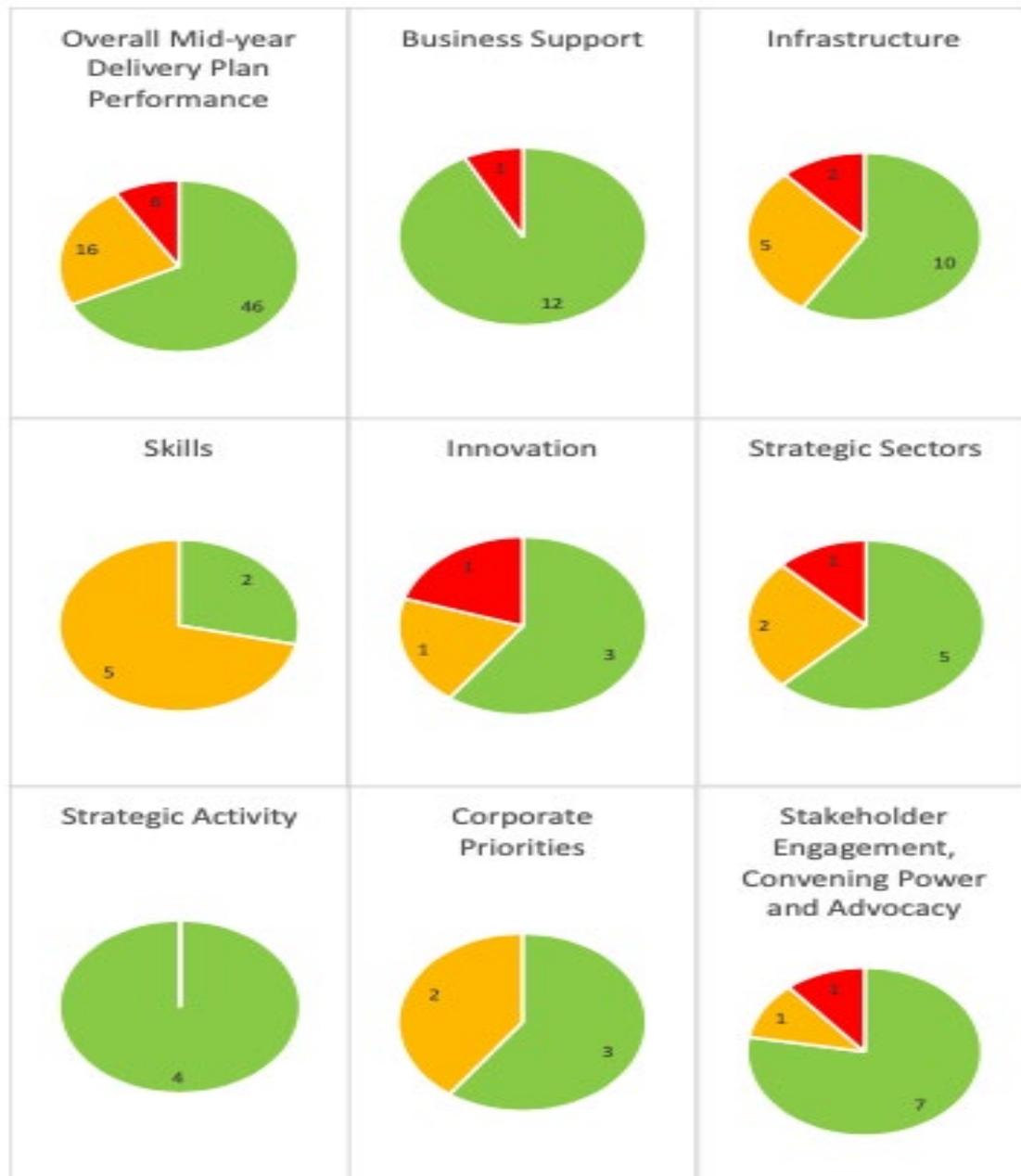
Mid-Year Review

The Solent LEP Delivery Plan includes a range of strategic objectives, supporting activities and associated outputs/milestones under each of the strategic priorities agreed by the LEP Board.

Annexe A replicates the information from the Delivery Plan and provides two additional columns against each activity identified to include a mid-year status update as at September 2020 and an associated RAG rating.

For ease of reference, the following paper provides a dashboard summary of performance against delivery plan activities, demonstrating the total number of Red, Amber and Green activities within the plan as a whole and in relation to each specific section.

Mid-Year Review Dashboard



Dashboard Commentary

The review indicates a strong performance from the Solent LEP within the first half of 2020/21 with 46 out of 68¹ green, and only six red, rated activities.

The LEPs performance has been particularly strong in relation to business support, strategic activity and stakeholder engagement, convening power and advocacy and this reflects the focus of the organisation on delivering an immediate response to support businesses, bring together key agencies and lead the development of an Economic Recovery Plan for the Solent.

However, Covid-19 has had an impact across many areas of the delivery plan as indicated in the dashboard.

In relation to the six activities rated red these include the following:

- **Promote the SME focused Solent Prosperity Fund to secure applications for start-up and SME high growth businesses.** - work has not progressed in relation to this activity and business support resources have, understandably, been targeted towards supporting business resilience, as opposed to growth, in response to the initial "survival" stage of the pandemic. However, it is recognised that supporting new start-ups and SME high growth businesses will form an important element of the LEPs work to support economic recovery and this activity will be revisited in the second half of 2020/21.
- **Delivery of 342 new homes [at Centenary Quay] by March 2020, facilitated by investment into the key public infrastructure for the scheme.** - The scheme promoter has been significantly impacted by Covid-19. Development on-site stopped in March due to Covid restrictions. Arrangements are being made for FFPMG to receive an update from the project lead at their next meeting in November and a further update will be provided to the board at the next meeting.
- **Work with the private and public sectors to develop private sector-led proposals for water taxi use on Southampton Water.** - this work has not progressed due to redirection of Solent LEP focus/resources towards business support activity also the impact of the pandemic on partner organisations. However, there remains a longer-term ambition to bring forward this work and there is an opportunity to revisit this in the context of the LEPs Economic Recovery Plan and request to establish a decarbonisation hub and Freeport set out under the Comprehensive Spending Review submission. However, it should be noted that, within the current context of lockdown / social distancing restrictions, limited funds for investment and collapse in confidence in public transport experienced by existing infrastructure providers, it is unlikely this work will be progressed significantly in the short-term.
- **Jointly develop with the Isle of Wight Council Innovation Wight project, to realise a new £1.75m innovation centre at Northwood to create 250 new jobs through state-of-the-art space for start-ups and existing businesses.** - progress has stalled in relation to this project and an update on this is awaited from the Isle of Wight Council.
- **Promote Solent's maritime assets internationally through US and UK Global Trade Forum during autumn 2020.** - As a consequence of the COVID-19 pandemic, all international trade missions remain on hold.

¹ The published delivery plan includes 69 activities, however, one activity relating to the Solent University, Warsash School of Maritime Science & Engineering (WSMSE): Safety Training Centre project has been removed from this review following the decision of Solent University to withdraw the project as a result of the Covid-19 pandemic.

- **Renew the Solent LEP website, incorporating the Solent Growth Hub and the Solent Enterprise Adviser activity.** - Significant work has been undertaken during 2020/21 to pivot the LEPs business support offer to primarily online delivery using the LEPs existing online portals. However, there remains an imperative to secure a new website that will better showcase the work of the LEP, promote its business support and skills offerings, demonstrate best practice in accessibility and meet with HM Government requirements. Capacity challenges have limited the ability to progress this work and additional resourcing will now be allocated to this to enable the activity to be progress during the second half of 2020/21.

In addition to the review of the delivery plan, it should be noted that the LEP has undertaken significant additional activity during the period which was not known during April 2020. This work should also be considered when reviewing the LEPs performance during 2020/21. Key examples of additional activity not included within the work programme when the delivery plan was considered include:

- **Restart, Restore, Recover Loan Fund:** The LEP launched the fund on 4th June 2020 and full information on the fund is available at: <https://solentlep.org.uk/covid-19-restart-restore-and-recover-loan/> Weekly webinars have been held to support potential applicants seeking to access the funds and seven applications seeking loan funding support of over £4.6 million have been received to date. The Solent LEP Board has agreed two loan requests totalling £2.75 million to date. Based on the interest and successful applications to the fund, it remains clear that there is demand for this form of loan funding in the Solent and, in particular, from businesses operating in the visitor economy sector. The fund will remain open until the end of October 2020.
- **ERDF Restart and Recovery & Kickstarting Tourism Grant Fund:** The Solent LEP received confirmation from MHCLG of an allocation of additional ERDF to respond to the impact of Covid-19, including £157,341 in relation to the Visitor Economy and £250,000 in relation to the wider economy. The LEP is working in partnership with the University of Portsmouth to ensure SMEs can access this funding in the Solent. Round one launched on 16 September and closed on 23 September 2020. All applications are currently being assessed with a view to confirming funding outcomes to applicants shortly. Alongside this work, the LEP is making arrangements for a second funding round to launch w/c 12th October in anticipation of any additional ERDF funds being made available to the area or potential for any underspend from round 1 (subject to the outcome of the assessment of round 1 applications). Businesses are already registering their interest in relation to additional funding rounds.
- **Getting Building Fund:** Following the MHCLG call for projects the LEP brought together a portfolio of 68 projects with a total value of over £900 million. This demonstrates the capacity of the area to respond to the economic challenges created as a result of COVID-19 and it also showcases the potential of the area as a catalyst for growth. The LEP submitted 11 projects that were shovel ready and could start and complete by December 2021. On 1st July 2020, the Solent LEP received confirmation that we will receive up to an additional £15.9 million for the Solent area and the Solent LEP have engaged with all of the 11 projects in the initial pipeline submitted to better understand affordability considerations, such as scalability of proposals, to inform the LEPs prioritisation process. The Solent LEP Board considered the pipeline of projects in the context of the £15.9m funding available at their meeting on 17th July 2020 and agreed a final package of six projects to progress with the funds. The projects will leverage an additional investment of £58.74 million, directly creating over 730 jobs. Our construction industry will also be

re-energised through the creation of over 3,600 additional jobs in the sector. Critically our coastal communities will benefit from the unlocking of 1,500 new homes and there is a programme of town and city centre modernisation through targeted investments in our maritime and visitor economy infrastructure and the enhancement of digital connectivity to support economic performance in our more isolated coastal areas, including the delivery of over 23,000 new super or ultra-fast broad band connections. Looking to the future we have also prioritised investment in our innovation ecosystem to secure improvements to our research and development facilities, spearheading a revolution in green recovery and low carbon technology and our human capital will be enhanced through nearly 500sqm of new learning and training floor space and 2,800sqm of employment floor space. This also delivers on our ambition to pioneer new approaches to climate change adaptation and decarbonisation as delivery of these projects will reduce CO2 emissions by over 34 million kg. A further update on this is included in item 5b.

- **Coordination of national call for PPE:** The Solent LEP has played an active role in this space, including work with Portsmouth City Council, Southampton City Council and Hampshire Fire and Rescue to support a drive to increase the supply of more Personal Protective Equipment (PPE) across the area to respond to the COVID-19 crisis. The LEP has also directed funding to support local sewing group Team Scrubbers by purchasing material that will be made into additional scrubs for Portsmouth and Southampton-based NHS and medical staff.

Resolution:

Board Members are asked to:

- **Note** the mid-year delivery plan performance review.

Equality impact assessment

EIA not required for note items.

Legal implications

In relation to the recommendation to note the mid - year delivery plan performance review there are no direct legal considerations arising from the recommendation.

Financial comments from the S151 Officer of the Accountable Body

There are no specific financial implications arising from this update.

Annexe A – Mid-year review of 2020-21 Delivery Plan

A confidential report will be considered at the meeting

9.10.2020

Item 6

General Updates

Board meeting – Item 6

General update

9 October 2020



General update for information

- Solent Business Support Task Force work and COVID-19 response
- Verbal update from Maritime UK Solent to include update on Maritime UK Solent Recovery plan
- Skills Advisory Panel (SAP) update
- Solent Growth Forum update
- Solent Leaders forum update September 2020
- Southern LEPs



Solent Business support taskforce and COVID-19 response

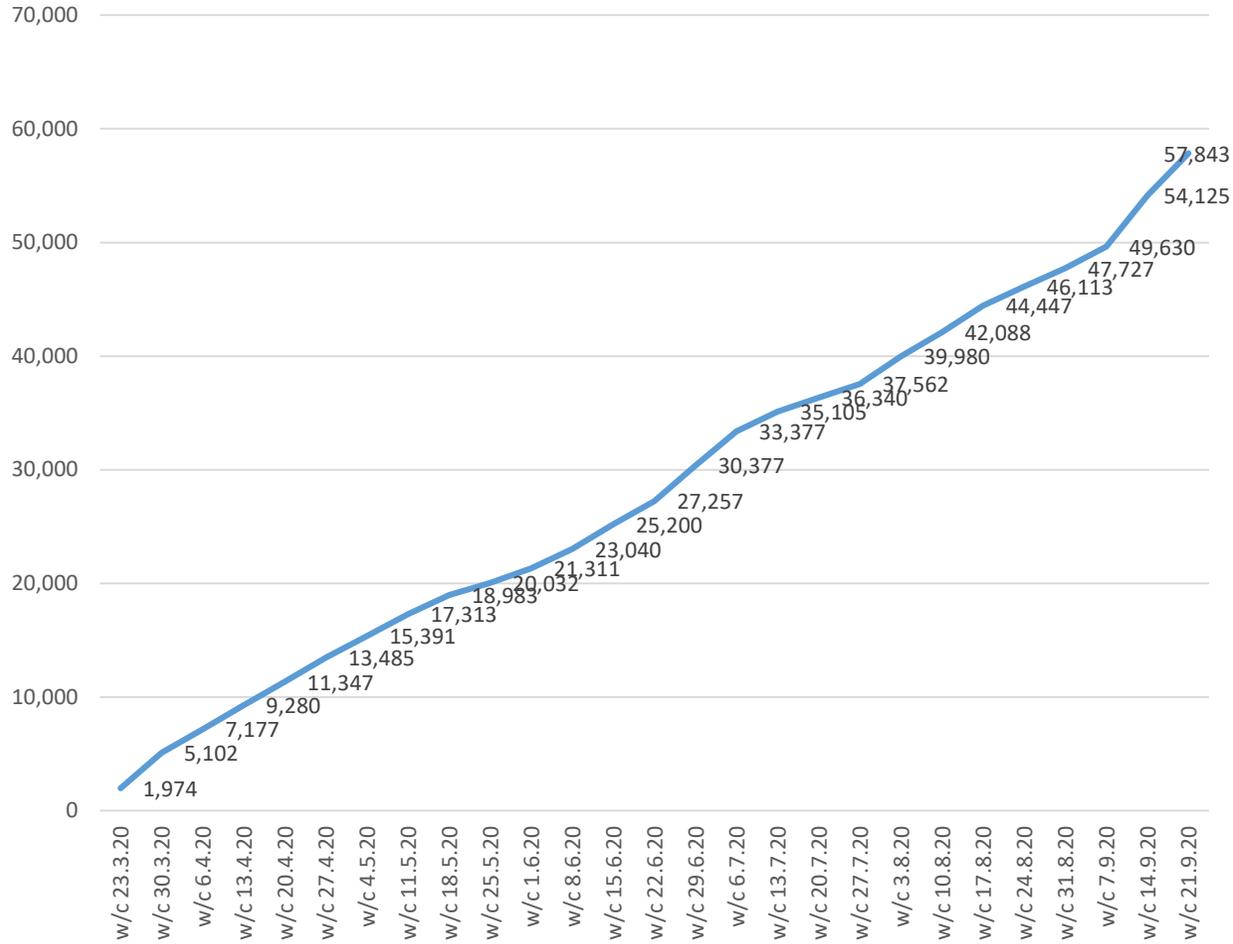
Board Lead SJ Hunt - Chair of Solent Business Support taskforce



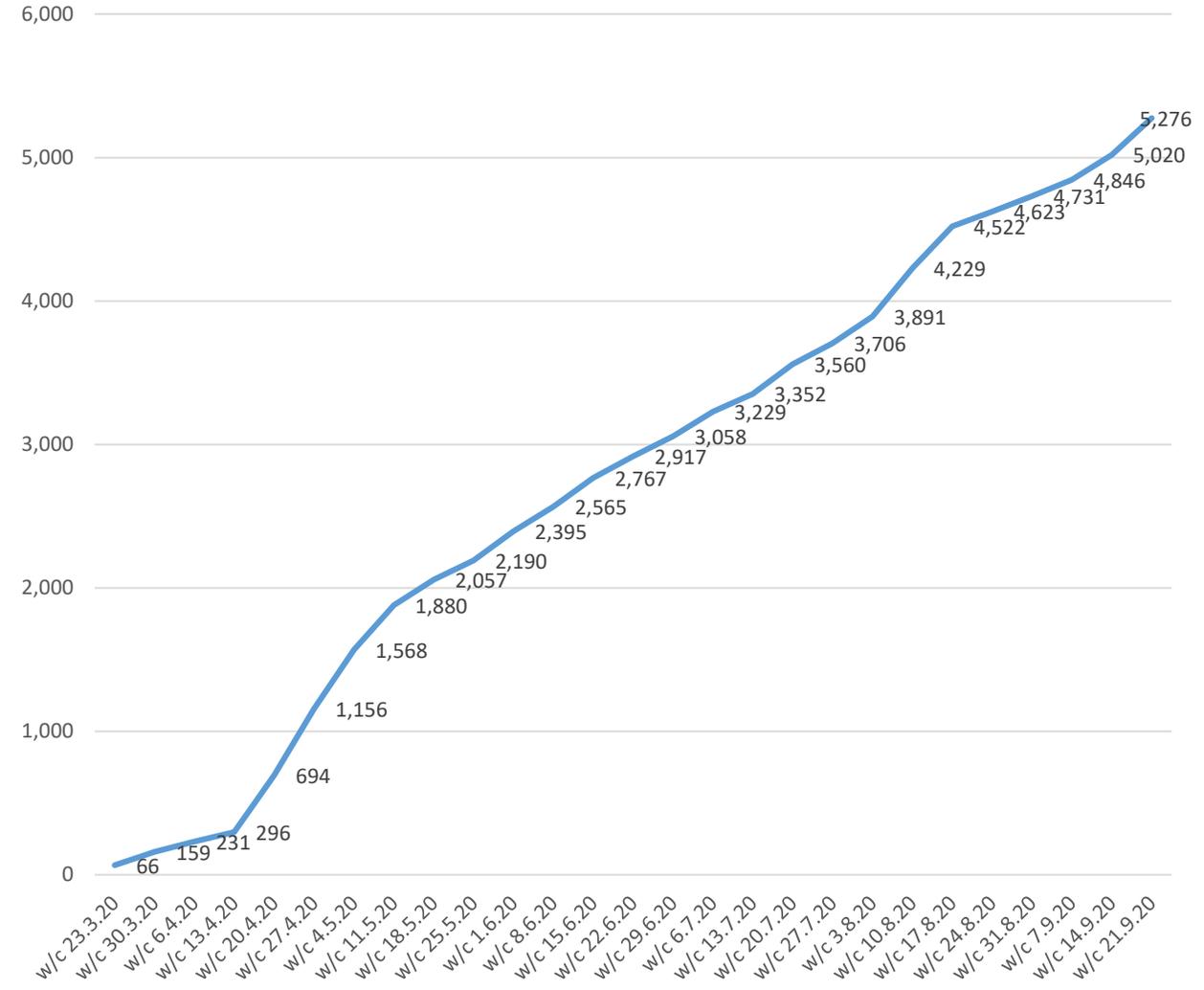
Covid-19 – Restart and recovery

Phase/Activity	Response	Restart and Restore – improving resilience	Recovery and long term growth
Bus Support - Corona Virus hub and support hub	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Bus Support - HMG calls	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Bus Support - BDO Coaching	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Bus Support - Be the Business Rapid Response Mentoring	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Bus Support – Solent Business support taskforce	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Bus Support - Crowd funder	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	
Bus Support - Rural resilience fund	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	
Bus Support – ERDF Visitor economy and wider economy SME fund		✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
General – Restart Restore and Recovery loan fund		✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Strategy - Solent 2050 and Economic Recovery plan		✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Funding – LGF 2020/21 and Getting Building Fund Fund		✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Skills - SAP – Skills Action Plan		✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Maritime UK Solent – Recovery plan		✓ <input type="checkbox"/>	✓ <input type="checkbox"/>

No. of 'Hits' to Growth Hub website based on access to Covid 19 content pages including tracking access to specific pages, including click throughs to GOV.UK or Public Health England in previous week

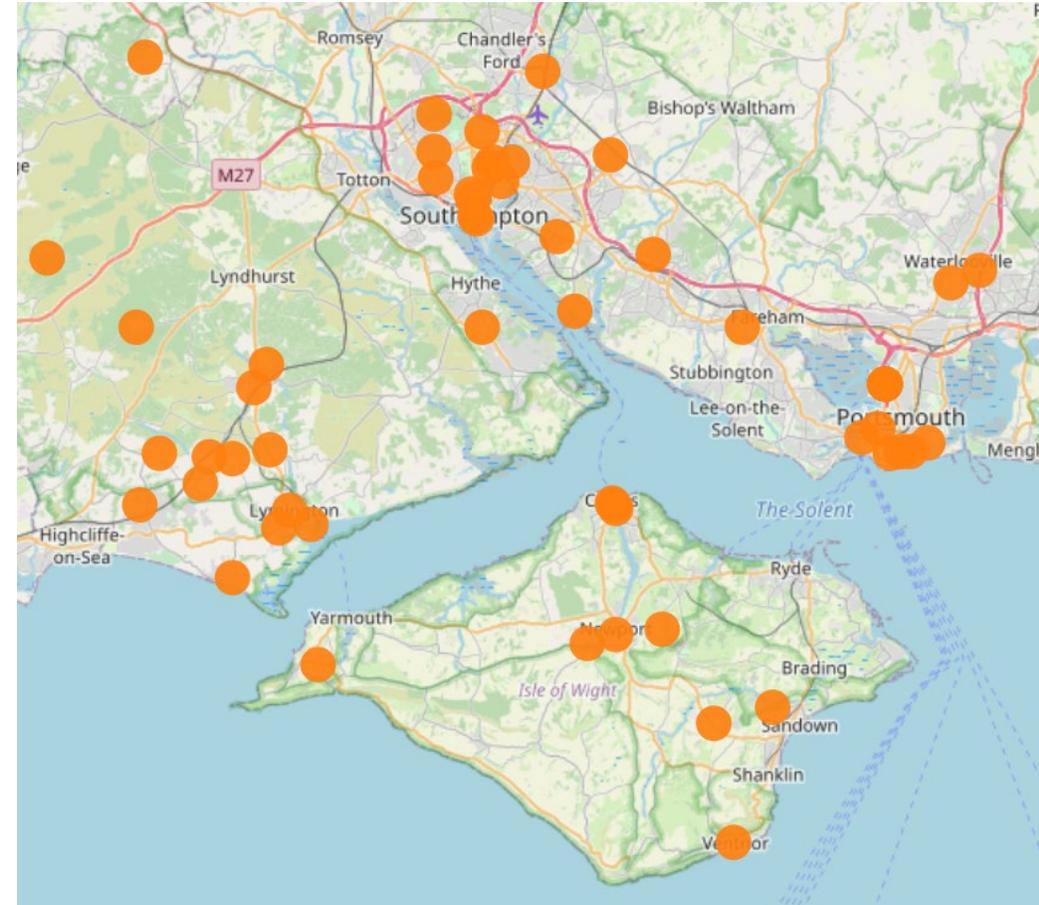


Interactions with businesses where Covid 19 and related support schemes have been discussed (Total of all interactions)



Business support funding – Crowdfudner Pay it Forward

- 126 Applications
- 77 Successful supported projects
- Crowd Pledges - £605,444
- Solent LEP Pledges - £178,000
- Total raised - £783,444



Skills Advisory Panel update

Board Lead and Chair of the Skills Advisory Panel – Rachael Randall



Meeting held on 23 September 2020

For meeting papers see-

<https://solentlep.org.uk/media/3261/skills-advisory-panel-23920.pdf>

For notes of meeting see –

<https://solentlep.org.uk/media/3270/sap-meeting-notes-23092020-final-for-publishing.pdf>



Solent Growth Forum update



Maritime UK Solent - verbal update

Board Lead and Chair of Maritime UK Solent Kevin George



Solent Leaders Forum and Southern LEPs group

Verbal update from Brian Johnson and Anne-Marie Mountifield

9.10.2020

Item 7

Forward Plan

Item: 7
Title: Any other business – LEP Board forward plan
Date: 9 October 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

At the previous Board meeting a forward plan was agreed. Since this time the ongoing situation relating to coronavirus is not only bringing health concerns, but there is now a focus on economic recovery as lock down measures continue and the ongoing impact of the pandemic begins to be quantified. The board has subsequently held a workshop to consider economic recovery and following this the LEP has published an Economic Recovery Plan which can be viewed here - <https://solentlep.org.uk/what-we-do/news/lep-launches-plan-for-economic-survival-stability-and-growth/>

The LEP executive and board continues to work remotely using video conferencing and the process to elect a new Chair will conclude on 30 September 2020. As a result, there remains a need to amend the forward plan going forward to properly reflect the rebalancing of activity away from strategy to operations and delivery and the board are asked to agree the revised forward plan as follows

11 December 2020 (9.00 am to 12.00 pm) – to be held via video conference

- Consideration of updated Solent Economic Recovery Plan
- Update on the Solent Enterprise Zone
- General update to include;
 - Succession planning and board recruitment
 - Report from Business and higher Education forum
 - Report from the Skills Advisory Panel to include initial draft Skills Action Plan
 - Report from Maritime UK Solent
 - Report from the Solent Growth Forum
 - Report from the Solent Leaders Forum
- Finance and funding report to include;
 - Local Growth Update for 2020/21 programme
 - Getting Building Fund update for 2020/21 and 2021/22
 - In year budget position for 2020/21 and financial forecasts to 2021/22
 - Review of the Getting Building Fund
- Governance update to include
 - Consideration of draft annual Assurance Framework for 2021/22
 - Preparation for 2021 AGM
 - Preparation for Annual Performance Review

11 December 2020 Board Strategy Day (12.00 pm to 3.00 pm) – to be held via video conference

- Economic Recovery, devolution and regional partnerships
- Solent 2050 strategy

Meeting 1 2021 date and venue to be advised

- Consideration of final draft of the Solent Skills Strategy and Action Plan for publication
- Consideration of initial work on draft Investment Plan for the New Forest
- Governance update to include;
 - Agreement of LEP Assurance framework for 2021/22
 - Consideration and approval of Solent LEP Delivery plan for 2021/22
 - AGM 2021 finalisation of agenda

- Finance and funding report to include mid-year review of;
 - Local Growth Update for 2020/21 programme
 - Getting building Fund Update for 2020/21 and agreement of draft capital programme for 2021/22
 - Final year forecast outturn position for 2020/21, Agreement of 2021/22 budget and financial forecasts to 2022/23
 - Review of Risk registers

- General update to include;
 - Succession planning and board recruitment
 - Report from Business and higher Education forum
 - Report from the Skills Advisory Panel to include initial draft Skills Action Plan
 - Report from Maritime UK Solent
 - Report from the Solent Growth Forum
 - Report from the Solent Leaders Forum

Please note the venues for future board meetings will be the subject of ongoing consideration and will be reviewed and scheduled in accordance with ongoing government policy in relation to social distancing.

Further extraordinary meetings will be scheduled as needed in the period to December 2020 to review the economic impact of COVID-19 on the Solent economy

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.