

Meeting of the
Solent LEP Business Support Investment Panel
to be convened electronically on
Thursday 05 November 2020: 10:00am - 12:15pm

Item	Title	Time
1.	Introductions	10:00 - 10:10
2.	Apologies for absence	
3.	Minutes of previous meeting - 10 September 2020	
4.	Matters Arising	
5.	Declarations of Interest	
6.	Solent LEP Response to COVID19 / EU Transition	10.10 - 10.20
7.	Business Support Programmes Status Update Report	10:20 - 10:30
8.	Contract Updates	10:30 - 12.00
9.	Any Other Business	12:00 - 12:15

Meeting to close at 12:15pm



**Solent Local Enterprise Partnership
Business Support Investment Panel Meeting Notes**

Held on Thursday 10 September 2020 from 10:00 - 11:00
Convened electronically via Zoom video conference

Present	Apologies
Adrian Went (Chairing for Tim Fielder)	Tim Fielder (Chair)
Cllr Derek Pretty	Lyn Davis
David Bream	Mark Waldron
Rob Dewing	
Caroline Carter	LEP
James Fitzgerald - PCC	Steve Futter
	Chris Heath
	Kate Cloud
	Maisie Cross
	Richard Jones
	Nicola Twiddy (minute taker)
	Storm Wilson

Item		ACTION
1.	<p><u>Introductions</u></p> <p>In the absence of Tim Fielder, Adrian Went had been appointed to chair this meeting in agreement with the Panel terms of reference.</p> <p>Adrian Went welcomed members to the meeting and explained the protocols of the Zoom meeting, noting a recording of the meeting will be retained in addition to the meeting note.</p>	
2.	<p><u>Apologies</u></p> <p>Apologies were received from Tim Fielder, Lyn Davis and Mark Waldron.</p>	
3.	<p><u>Notes of previous meeting</u></p> <p>The notes from the meeting on 2 July 2020 were agreed as a correct record of the meeting. The notes would be signed at the next meeting convened in person.</p>	LEP Exec to action accordingly
4.	<p><u>Matters Arising</u></p> <p>The following Matters Arising were raised:</p> <p>Independent consultants have been undertaking a Local Growth Deal impact review which has been considered by FFPMG and Solent Growth Forum. The review has to date considered the</p>	

	<p>progress and performance of larger investment projects, and will be looking at their broader economic impact in phase two of the report. Solent LEP will be exploring the potential of independent consultants undertaking a similar exercise for the SME projects supported by the Panel.</p> <p>In line with the Terms of Reference for the Business Support Investment Panel, appointments are for a period of three years and members are eligible for reappointment, with the maximum term of office being six years. Our records highlighted that, for Caroline Carter, the end of the three year term on the Business Support Investment Panel concluded in June 2020. Caroline has confirmed she wishes to continue her membership and Tim Fielder has agreed to the extension as Panel Chair. In addition, in line with the delegated authority procedures, Steve Futter, LEP Executive, has agreed to this extension. We value Caroline's support and representation on the panel and we thank you for your continued membership.</p>	
<p>5.</p>	<p><u>Declarations of Interest</u></p> <p>A Declaration of Interest was made by Caroline Carter in relation to any discussion on a beneficiary referred to in Item 8.</p>	
<p>6.</p>	<p><u>Solent LEP Response to COVID-19</u></p> <p>Getting Building Fund (GBF) - The Solent LEP has secured funding of £15.9m from Government which has been allocated to six projects. Funding agreements for these projects are in the process of being drafted.</p> <p>Covid-19 Restart, Restore and Recover Loan - two projects have been supported to date and loan agreements are being drafted and issued this week. Applications are still being received and reviewed for this fund, and will be considered by the Board in due course.</p> <p>Crowdfunding Programme: Pay it forward - as previously reported to the Panel, the fund has been a real success. Applications have slowed over the last month but work is underway with Crowdfunder to reposition the fund to respond to the COVID-19 recovery phase.</p> <p>Isle of Wight Rural SME Fund - The available funding has increased by £105k in order to support the COVID-19 recovery phase. Further details are referred to in the update in item 7.</p> <p>New Forest Rural SME Fund - The available funding has increased by £82k in order to support the COVID-19 recovery phase. Further details are referred to in the update in item 7.</p> <p>ERDF - £375k is available for small grant funding to support the visitor economy with grants of £1k-£3K ordinarily available, and up to £5k in exceptional circumstances. This programme is being delivered with the assistance of both Portsmouth City Council, and the University of Portsmouth, as they hold a current ERDF contract which is one of the stipulations of this Fund. Other areas are offering this programme on a first come first served basis but have had to close to applications very quickly due to a high level of demand for the funds. The Solent LEP will be taking a different approach, and will open the programme for a short period and will then prioritise the applications in or order to target businesses more effectively and have a greater impact on those who have yet to receive COVID-19 funding support.</p> <p>A discussion was had on the process for the GBF and BSIP received an overview of how the funding of £15.9m was allocated.</p>	
<p>7.</p>	<p><u>Business Support Programmes Status Update Report</u></p> <p>The paper was taken as read and the current Fund Status was highlighted.</p> <p><u>IoW Rural SME Fund and the New Forest Rural SME Fund</u></p> <p>Round 1 of the IoW Rural SME Fund closed last week and 12 applications were received, requesting grants totalling £347k, against an available fund of just over £200k. IoW Rural SME</p>	<p>LEP Executive</p>

	<p>Fund Panel are meeting on 8 October to review and decide which applications to support. Feedback will be provided to this panel at the November meeting.</p> <p>New Forest Rural SME Fund is operating on a two stage application process, Expression of Interests (Eoi) followed by a full application. The round will close on 15 October and be reviewed by the panel on 19 November. To date, 35 EOIs have been issued. There is approximately £85k of funding available to allocate.</p> <p><u>Success Stories</u></p> <p>The following thank you messages were noted by the Panel -</p> <ul style="list-style-type: none"> • Cllr Michael Harris thanking the Solent LEP team for their support on the New Forest Rural Business Resilience Fund. • CrowdFunder applicant - "can't thank the Solent LEP enough on how they have helped us" <p><u>Enhancements to reporting for the Business Support Investment Panel</u></p> <p>BSIP received an overview of the enhancements to the reporting process as follows:</p> <ul style="list-style-type: none"> • Current funding programme ends March 2021. HMG enhancing monitoring and evaluation activity at a national level. Solent LEP is seeking to empower BSIP to further support local monitoring and evaluation activity. • Solent LEP is also strengthening executive compliance capacity through establishment of central compliance function. Seeking non-executive input to compliance activity through involvement at LEP Operational Case Conference meetings. • Give BSIP better oversight of all live SME projects, based on RAG (Red, Amber, Green) reporting. • RAG reporting used by executive team in daily management of projects. • Green projects are progressing well, with no concerns. • Those projects facing difficulties (Amber or Red) will be split into two categories: <ul style="list-style-type: none"> ○ Delivery – issues in terms of achieving contracted outputs. ○ Compliance – issues in relation to adhering to key terms of contract. • Amber or Red rated projects with delivery challenges – escalated to BSIP for consideration. • Amber or Red rated projects with compliance issues – BSIP role is advisory to the LEP Funding, Finance and Performance Management Group • Presenting the summary information in Item 7 and the detailed information in Item 8 in a way that enables closer scrutiny and presents a clear call to action for BSIP that aligns with the LEP Assurance Framework. <p>Examples of the summary report, delivery issues report and compliance issues report were shown.</p>	
8.	<p><u>Contract Updates</u></p> <p>Confidential report has not been published as it includes information defined as exempt in Part 1 of Schedule 12A to the Local Government Act 1972, including information relating to an individual and/or relating to the financial or business affairs of a particular person.</p>	

9.	<p><u>AoB</u></p> <p>BSIP were advised that the Solent LEP are submitting a weekly report to Government on business intelligence regarding the impacts of COVID-19 on businesses & the area's economy. From Monday there will also be a return submitted related to EU Exit. BSIP members were asked to provide any relevant business intelligence directly to Richard Jones.</p> <p>The next meeting is scheduled for 5 November 2020.</p> <p>No further business so the meeting was closed.</p>	
----	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--

Meeting closed at 11:37

Item: 7

Title: Business Support Programmes Status Update

Date: 5 November 2020

Purpose: To provide the Business Support Investment Panel with an update on Solent LEP SME grant programmes

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.

BSIP is asked to:

Consider advice to Natural Enterprise regarding evidence of safeguarded jobs in projects they fund.

Introduction

This report provides panel members with an update in relation to progress and changes to LEP Business Support programmes since the 10 September 2020 meeting. It includes high-level information on job outcomes and awards made.

Current Fund Status

The status of the funds and job outputs, as at 19 October 2020, can be viewed in Tables 1 and 2, below and overleaf.

Table 1- Financial	Solent Prosperity Fund ¹		
	Current Fund End Date: 31 March 2021 / Jobs created by: 31 March 2021		
	Project Cost	LEP Funding	Match Funding
Solent Prosperity Fund	£3,868,095	£600,193	£3,267,902
Small Business Programme	£2,931,055	£599,926	£2,331,129
Z21	£672,492	£330,700	£341,792
IoW Rural SME Fund	£2,723,099	£1,018,284	£1,704,815
Predecessor Programmes	£12,723,719	£1,875,708	£10,848,010
Sub-totals	£22,918,460.00	£4,424,811.00	£18,493,648.00

¹ Funded from the Local Growth Deal 2015/16 to 2020/21 including LEP predecessor programmes and investment programmes delivered by LEP partners Natural Enterprise (IoW Rural SME Fund) and University of Southampton (Z21 Innovation Fund)

Table 2- Outputs	Projects Supported	Jobs Created	Jobs Safeguarded
Solent Prosperity Fund	9	0	0
Small Business Programme	13	41	7
Z21	11 ²	26	0
IoW Rural SME Fund ³	51	108	123
Predecessor Programmes	34	168	34
Sub-totals	85	343	164

IoW Rural SME Fund and the New Forest

The Panel meeting of the Isle of Wight Local Action Group met on 8 October to consider applications received ahead of the round closure date of 3 September. Prior to the meeting four applicants withdrew their applications and therefore the panel considered eight applications.

The Panel supported five applications, resulting in a total grant award of £124,977 with a further £184,977 of private sector money leveraged as a result. The number of new jobs to be created is seven with an additional four jobs to be safeguarded.

Furthermore, Panel requested further information from one applicant. When this is to hand this will be circulated to Panel members to decide whether to support or not. If supported this would result in a further £15,293 of grant allocation with the same amount in private sector leverage. The project would result in a further 1.5 new jobs to be created whilst also safeguarding 2.5 FTE roles.

The Local Action Group made a decision, based in part on the number of withdrawals from this round where applications were not quite ready for submission and given the long lead time to the next round closure date of 11 January, to introduce a further round of applications to the Isle of Wight Rural Fund. Natural Enterprise has contacted all potential applicants informing them of the round closure of 25 October. Three applications were received by the deadline. The panel meeting is to be held on 12 November.

At the last meeting Panel members asked the LEP Executive to make enquiries of NE to establish their definition of safeguarding of jobs as they thought that the above number of jobs identified as safeguarded for the Isle of Wight Rural Business Resilience Fund seemed very high given the value of the grants involved. The LEP Executive asked Natural Enterprise to consider this and the response received in respect of the two highest number of safeguarded jobs was:

- Safeguarding definition:
 - An FTE job is considered as one role working a minimum of 30 hours per week. Two part time jobs working a minimum of 15 hours per week would be considered as one FTE

² This is the number of projects supported in the Z21 programme. Of these, eight new start-up businesses have been formed.

³ Figures for IoW Rural SME Fund taken from information supplied by Natural Enterprise on 25 June 2020.

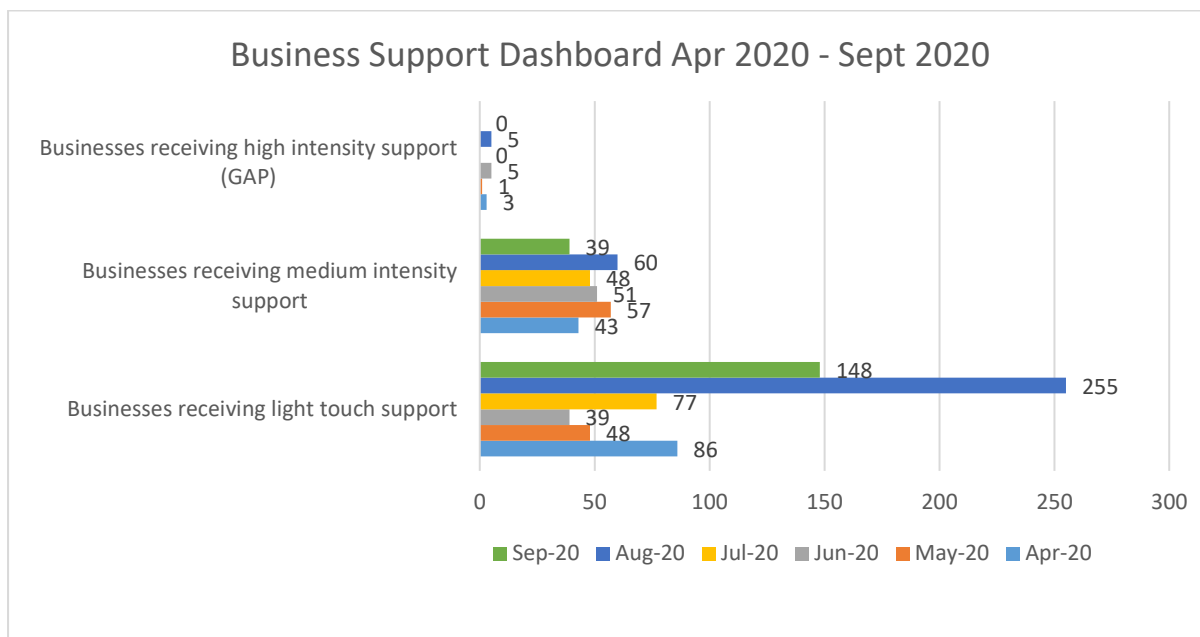
- Safeguarded jobs must be current FTE employees whose roles would otherwise be lost without IW Rural Business Resilience Funding
- Any jobs created and or / safeguarded must be direct employees of the applicant business
- For the purposes of the IW Rural Business Resilience Grant Funding, apprenticeships were counted as FTEs
- This Fund was intended to safeguard jobs during the economic uncertainty due to the Coronavirus outbreak and evidence was required to show the success due to the funding received
- Safeguarding evidence :- we obtain payroll evidence at the start and then again at the end of the project. Collected at the time of the Evaluation Report. The applicant is contracted (Schedule 5) as follows:
 - For the purposes of this Grant Offer Letter, the “Job Target” shall mean the number of xxx full time jobs safeguarded (that is, preserving a job for a period of 12 months, which You have warranted would but for the provision of Grant have been lost).
 - For the purposes of this Grant Offer Letter, the “Monitoring Period” means a period commencing on the Project Start date and continuing until Date or 24 months after the final job output has been achieved, if sooner

BSIP is asked to **consider** advice to Natural Enterprise regarding evidence of safeguarded jobs in projects they fund.

The New Forest Rural Fund was launched on Tuesday 18 August with the first round closure date of 15 October. Six applications were received with a total of £138,000 in grants being requested. The Grant Approval Body for the New Forest Rural Fund will meet on 19 November 2020 to consider those applications.

Solent LEP Growth Hub

The chart below graphically illustrates the levels of support provided by the Solent LEP Growth Hub to the local business community since February 2020. The numbers show a spike in light touch engagement in August which was during the build up to the launch of the Small Business Recovery Grants (ERDF).



Businesses receiving high intensity support - These are businesses taking part in the Growth Accelerator Programme or other business coaching exercises.

Businesses receiving medium intensity support - These are businesses who have attended masterclasses, business clinics and webinars, and have therefore had an element of one-to-one or one-to-few support from the Growth Hub team.

Businesses receiving light touch support - These are businesses who have made an initial enquiry by telephone or email, or attended larger events with the Solent Growth Hub team.

Progress Update

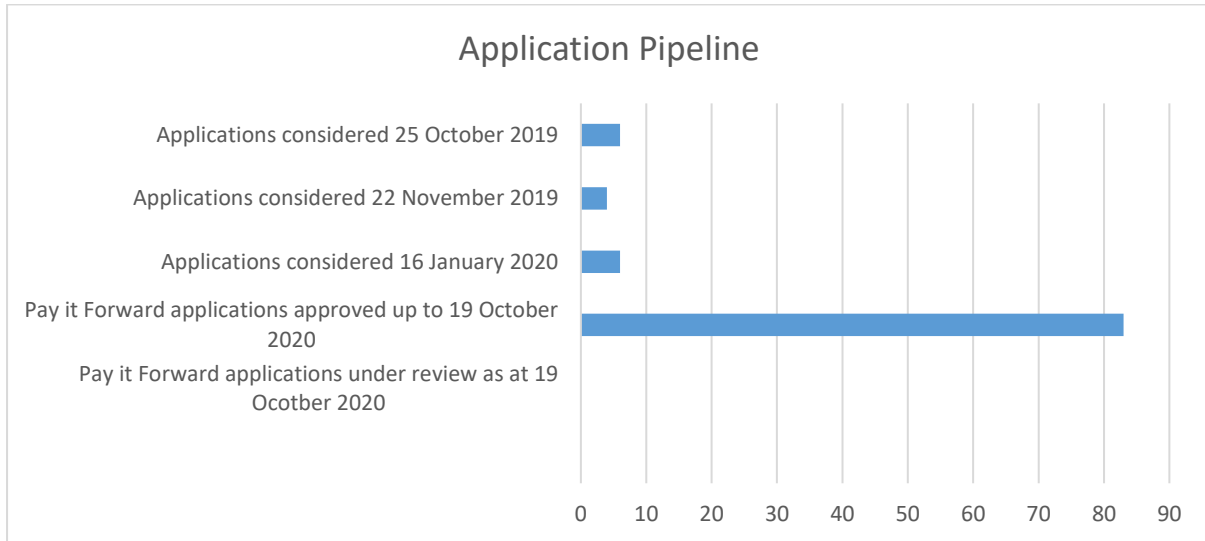
Contracting

The new Solent LEP Pay it Forward Crowdfunder Scheme (<https://www.crowdfunder.co.uk/funds/crowdfund-solent>) has continued to be a popular way for small businesses to secure relatively small sums of cash. At the time of writing, 83 businesses have been awarded funds. Interest in this funding stream has waned with currently only one further application having been submitted.

Funding Applications

The chart below graphically illustrates the numbers of applications considered since October 2019. As the previous funding is currently paused, figures for current and future applications refer to the Solent LEP Pay it Forward Crowdfunder scheme. Applications can be approved by the Solent LEP Executive, and are considered when the project achieves its first 25% of funding from the public. 'Applications under review' refers to eligible and live Pay it Forward projects which have not yet achieved their first 25% of

funding from the public or are awaiting a decision from Solent LEP. Discussions are underway with Crowdfunder to consider evolving this funding into a product more suited to the recovery period post-lockdown.



Item 8

Project Contract Updates

A confidential report will be considered at the meeting