

Solent Local Enterprise Partnership
Meeting of the Board to be held via video conference on Friday 11 December 2020
09:00 to 12:00

Item	Title	Time
1.	Welcome, Introduction and Apologies for absence	9:00 – 9:05
2.	External Updates <ul style="list-style-type: none"> Southampton Airport presentation to include update from Steve Szalay Operations Director HM Government Update 	9:05 – 9:35
3.	Notes of meeting held on 9 October 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 – 10:25
5 b	Getting Building Fund update	10:25 – 10:45
6.	Governance update to include; <ul style="list-style-type: none"> Election of Solent LEP Deputy Chair Succession planning and board recruitment Preparation for 2021 AGM Local Assurance Framework Review for 2021 	10:45 – 11:15
7.	General updates from board leads to include: <ul style="list-style-type: none"> Solent Business Support Task Force and COVID 19 response MUK Solent to include update on work on freeports Skills Advisory Panel to include update on Institute of Technology initiative Solent Growth Forum meeting on 17 November 2020 Verbal update on Solent Leaders forum meeting on 27 November 2020 Update on Southern LEP Network and Catalyst South 	11:15 – 11:55
8.	Any other business <ul style="list-style-type: none"> Forward Plan 	11:55 – 12:00

Please note the board strategy day session will follow the board meeting

11.12.2020

Item 3

Notes of Meeting Held on 9 October 2020

Solent Local Enterprise Partnership Meeting of the Board of Directors

Held on Friday 9 October 2020 at 09:00 - 12:00 convened electronically over video conference

Present	In Attendance
Brian Johnson (Chair)	Richard Jones (LEP Executive)
Anne-Marie Mountfield	Stuart Baker (LEP Executive)
Jo Sawford	Steve Futter (LEP Executive)
Rachael Randall	Nicola Twiddy (LEP Executive)
Nick Loader	James Fitzgerald - Portsmouth City Council (as the Accountable Body)
David Youngs	Lloyd Clark - Portsmouth City Council (as the Accountable Body)
Paula Swain	Sophie Mallon - Portsmouth City Council (as the Accountable Body)
Graham Galbraith	
Judith Grajewski	Apologies
Dave Stewart	Gerald Vernon-Jackson
Chris Hammond	SJ Hunt
Seán Woodward	Kevin George
Will Jacobs (BEIS)	Guests
	Michael Wilson, Simon Jenkins and Andrew Biltcliffe from Havant Borough Council (Item 2 only)
	Ciaran Gunne-Jones from Lichfields (Item 2 only)

Item		ACTION
1.	<p>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, noting a recording of the meeting will be retained in addition to the meeting note.</p> <p>Apologies for Absence Apologies were noted from Gerald Vernon-Jackson, SJ Hunt and Kevin George.</p> <p>Christopher Hammond joined the meeting.</p>	
2.	<p>Draft Havant Infrastructure Investment Plan Michael Wilson, Simon Jenkins and Andrew Biltcliffe from Havant Borough Council and Ciaran Gunne-Jones from Lichfields joined the meeting.</p> <p>The Board received an introduction to the Havant Infrastructure Plan from Simon Jenkins.</p> <p>Ciaran Gunne-Jones from Lichfields gave a presentation of the Havant Infrastructure Plan.</p>	

	<p>The Board:</p> <ul style="list-style-type: none"> • Considered and Agreed the draft Havant Infrastructure Investment Plan as presented at the Board meeting and; • To Delegate authority to the Executive (working with Havant borough Council) to finalise for publication. <p>Brian Johnson passed on the Board's thanks to those working on the Havant Infrastructure Plan.</p> <p>Michael Wilson, Simon Jenkins, Andrew Biltcliffe and Ciaran Gunne-Jones left the meeting.</p>	LEP Executive
3.	<p>Notes of meeting held on 17 July 2020</p> <p>The minutes from the Board meeting on 17 July 2020 were Agreed.</p>	
4.	<p>Matters Arising and declarations of interest</p> <p>The following matters arising were raised:</p> <p>Meeting 1, page 3 - Local Growth Deal Projects - Southsea Coastal Scheme Project and ABP Shore Power Project will be discussed later in this meeting.</p> <p>Meeting 1, page 3 - Quarterly Monitoring Report (QMR) for M27 J10 - as this is no longer a retained scheme, quarterly monitoring reports will be undertaken within the local growth deal return to MHCLG</p> <p>Meeting 2, page 1 - Digital platforms - the LEP Executive will be doing a piece of work to review Huddle and Teams on Office 365 to compare both platforms to bring back to a future Board meeting for consideration.</p> <p>Meeting 2, page - Public Meetings and the meeting schedule for 2021/22 – Diary dates and the forward plan proposals will come forward to the board for further consideration at the next meeting.</p> <p>Meeting 2, page 5 - Economic Recovery Plan is now published and the Solent 2050 document will be reviewed to reflect the global pandemic situation with the view to bring this back to the Strategy Session in December to review and discuss the timing of the publication of the document.</p> <p>The following interests were noted ahead of the meeting:</p> <p><u>Anne-Marie Mountifield</u></p> <p>Item 5a - Local Growth Deal - National Marine Autonomy Centre - For noting only, no Board decision required.</p> <p><u>Brian Johnson</u></p> <p>Item 5a - Local Growth Deal - National Marine Autonomy Centre, National Maritime Systems Centre - For noting only, no Board decision required.</p> <p>The Board noted a potential interest for Brian Johnson on the Silicon Wharf project, while there are no interests at present this may change in the future. The Board will be updated if the position changes.</p> <p><u>Sean Woodward</u></p> <p>Item 2 - Havant Infrastructure Investment Plan.</p> <p>Item 5a - Local Growth Deal - North Whiteley, CETC, Solent Recreation Mitigation Project, Stubbington Bypass, New Gate Lane South, Welborne / M27 J10 - For noting only, no Board</p>	<p>LEP Executive</p> <p>LEP Executive</p> <p>LEP Executive</p>

<p>decision required.</p> <p>Item 5b - Getting Building Fund - Interest in M27 J10 project in roles at Hampshire County Council and Fareham Borough Council. HCC have written to DfT separately in relation to flexibility for LGD extension as opposed to joint letter to request return of funds to support other projects.</p> <p>Partnership for South Hampshire applicant, with Southampton City Council as accountable body, for Nutrients Mitigation Project.</p> <p><u>Judith Grajewski</u></p> <p>Item 2 - Havant Infrastructure Investment Plan.</p> <p>Item 5a - Local Growth Deal - Stubbington Bypass, New Gate Lane South, Welborne / M27 J10 - For noting only, no Board decision required.</p> <p>Item 5b - Getting Building Fund - Interest in M27 J10 project in role at Hampshire County Council. Meeting is to consider alternative projects for allocation of previously earmarked funds. HCC have written to DfT separately in relation to flexibility for LGD extension as opposed to joint letter to request return of funds to support other projects.</p> <p><u>Dave Stewart</u></p> <p>Item 5a - Local Growth Deal - Floating Bridge - For noting only, no Board decision required.</p> <p>Item 5b - Getting Building Fund - Isle of Wight Council applicant for Branstone Rural Employment Hub</p> <p><u>Rachael Randall</u></p> <p>Item 5b - Getting Building Fund - Son is undertaking a degree apprenticeship via Portsmouth University in architecture and his employer is ERMCo, an architect practice based on the IOW and Portsmouth, who were the architects who designed the new brewery and visitor centre at Branstone Farm.</p> <p><u>Paula Swain</u></p> <p>Item 5a - Local Growth Deal - Welborne and M27 J10 - For noting only, no Board decision required.</p> <p><u>Christopher Hammond</u></p> <p>Item 5a - Local Growth Deal - Solent Recreation Mitigation Programme - For noting only, no Board decision required.</p> <p>Item 5b - Getting Building Fund - Southampton City Council applicant, on behalf of PfSH, for Nutrients Mitigation Project.</p> <p><u>Graham Galbraith</u></p> <p>Item 5b - Getting Building Fund - University of Portsmouth applicant for Enzyme Recycling Techniques project</p> <p><u>Nick Loader</u></p> <p>Item 5b - Getting Building Fund - Unrelated tenancy relationship with ABP who are applicants for Ship to Shore Power and Cruise Terminal projects</p> <p><u>Gerald Vernon-Jackson</u> (Not at the meeting)</p> <p>Item 5b - Getting Building Fund - Portsmouth City Council applicant for Southsea Sea Defence Project and owners of Port of Portsmouth, Applicant for Passenger Terminal Annexe Project.</p>	
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	<p><u>Stuart Baker</u></p> <p>Item 5a - Local Growth Deal - Spouse works at Hampshire County Council in unrelated role. HCC scheme promoter for Stubbington Bypass, New Gate Lane South, Welborne / M27 J10 - For noting only, no Board decision required.</p> <p>Item 5b - Getting Building Fund - Spouse works at Hampshire County Council in unrelated role. HCC have written to DfT separately in relation to flexibility for LGD extension as opposed to joint letter to request return of funds to support other projects.</p> <p><u>Sophie Mallon</u></p> <p>Item 5b - Getting Building Fund - Portsmouth City Council applicant for Southsea Sea Defence Project</p> <p><u>Chris Ward</u> (Not at the meeting)</p> <p>Item 5a - Local Growth Deal - Floating Bridge - For noting only, no Board decision required.</p> <p>Item 5b - Getting Building Fund - Portsmouth City Council applicant for Southsea Sea Defence Project and owners of Port of Portsmouth, Applicant for Passenger Terminal Annexe Project. Isle of Wight Council applicant for Branstone Rural Employment Hub.</p>	
5a.	<p>Finance and funding report to include:</p> <p>The Board received an update on the current budget position, the agreed projects with Government and the expected position in December 2020.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Considered and Approved 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. • Noted and Agreed the Corporate and Strategic Risk Register attached at appendix C. • Considered 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 the report. • Noted the other funding updates and the RGF legacy programme update at paragraphs 5 and 6. • Considered the Local Growth Deal (LGD) and Getting Building Fund (GBF) funding scenarios presented at the meeting and agreed a the preferred option. • Considered the information and Agreed the recommendation provided in respect of the RRR Loan application, subject to final due diligence being undertaken; and they delegated authority to the LEP Chief Executive and the accountable Body's nominated s151 officer to finalise . • Considered and delegated 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. <p>The Board considered the item of correspondence from stakeholders in relation to the Floating Bridge and received an update on the project and they noted that the IOW Council as the scheme lead would be presenting an update to FFPMG at their meeting in November 2020</p>	<p>LEP Executive</p> <p>LEP Executive and Accountable Body</p> <p>FFPMG</p>
5b.	<p>Getting Building Fund (GBF) update</p> <p>Paula Swain, Lloyd Clark and Sophie Mallon left the meeting.</p>	

	<p>The paper was taken as read and the Board received an update on the Getting Building Fund.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Noted the update on the Getting Building Fund • Noted the Getting Building Fund project status tracker at annexe B <p>Graham Galbraith declared an interest in the consideration of the University of Portsmouth Centre for Enzyme project and withdrew from the meeting.</p> <p>The Board:</p> <p>Considered and Agreed the due diligence report at annexe C for Centre for Enzyme Innovation and Agreed to delegate authority to the LEP Executive and the Accountable Body to finalise the funding agreement subject to the pre-conditions as detailed in the report for this item in annexe C.</p> <p>Graham Galbraith re-joined the meeting and the board:</p> <ul style="list-style-type: none"> • Considered and Agreed the due diligence report at annexe D for Silicon Wharf and Agreed to delegate authority to the LEP Executive and the Accountable body to finalise the funding agreement subject to the pre-conditions as detailed in the report for this item in annexe D • Noted the Interim due diligence report at annexe E for Fawley Waterside Digital • Noted the Interim due diligence report at annexe F for Branstone Farm Rural Employment Hub <p>Paula Swain, Lloyd Clark and Sophie Mallon returned to the meeting.</p> <p>On behalf of the Board, Brian Johnson passed on thanks to the Executive Team for their work on the Getting Building Fund.</p>	LEP Executive
5c.	<p>Mid-year review of 2020/21 Delivery Plan</p> <p>The paper was taken as read. Work will be undertaken to review SME funding for start-up and growth businesses so proposals can be reviewed at the Funding, Finance Performance Management Group (FFPMG) meeting in November.</p> <p>The Board received an update on the Mid-Year Review meeting with Government which was held this week and was overwhelmingly positive</p> <p>The Board:</p> <p>Noted the mid-year delivery plan performance review.</p>	FFPMG
6.	<p>General updates</p> <p>Updates were provided for the following areas:</p> <ul style="list-style-type: none"> • Solent Business Support Task Force and COVID 19 response • Verbal update from MUK Solent <p>Christopher Hammond left the meeting.</p> <ul style="list-style-type: none"> • Skills Advisory Panel to include update on Institute of Technology initiative 	

	<p>Rachael Randall left the meeting.</p> <ul style="list-style-type: none"> • Solent Growth Forum meeting on 28 September 2020 • Verbal update on Solent Leaders forum meeting on 10 September 2020 • Update on Southern LEP Network 	
7.	<p>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 7.</p> <p>The General Updates item at future meetings will also include an update from Cities & Local Growth Unit (CLGU).</p> <p>The Board Agreed for SJ Hunt to remain as interim deputy Chair, and it was noted that SERCOM will consider next steps on this and provide advice to the Board at the December meeting.</p> <p>Confirmation was provided that the LEP Executive have responded to the Southampton International Airport consultations and the response will be shared with the Board.</p> <p>The next meeting is scheduled on 11 December 2020.</p>	<p>SERCOM</p> <p>LEP Executive</p>

Meeting closed at 12:09

11.12.2020

Item 5a

Finance and Funding

Item Number: 5a
Item Title: Solent LEP Finance and Funding Report
Meeting Date: 11 December 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 October 2020 and the forecast budgets for the period 2021/22 to 2023/24.
- 1.2 The opening budgets are as approved at the LEP Board meeting on 9th October 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 five months remaining of the main Local Growth Deal funding cycle.

2. Recommendations

- 2.1 It is recommended that the LEP Board:
 - (i) Approve the revised budget for 2020/21 of £66,507,368 as set out in appendix A and the revised budget for the period 2021/22 to 2023/24 as set out in appendix B which includes the following:
 - The latest position of the Local Growth Deal Fund as set out in appendix E noting the challenges of the full defrayal of the fund as set out in paragraph 4.1 of this report.
 - The re-profiling and budget movements as set out in the table in paragraph 3 below.
 - The current position of the Growing Places Fund as summarised in appendix D.

The Board are also asked to:

- **Note** that a forecast for the 2023/24 year has been added to the finance appendices
- **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 to 4.3 of this report.
- **Note** the other funding updates at paragraphs 5 and 6.
- **Consider** the high level Risk Matrix for the Local Growth Programme attached at appendix F and delegate its **Approval** to the LEP Chief Executive and the Accountable Body's section 151 officer.
- **Consider** the Local Growth Deal (LGD) and Getting Building Fund (GBF) funding scenarios that will be presented at the meeting and alongside this **Consider** the recommendations in appendix G and
 - (i) **Agree** the likely range of and principle of the capital switch mechanism proposed to be used to maximise full defrayal of the Local Growth Deal by 31 March 2021.

- (ii) **Agree** the principles regarding the funding agreement variations required and delegate the finalisation of each variation to the LEP Chief Executive and the Accountable Body's section 151 officer.
- **Approve** the allocation of £20,000 from the reserves and contingency budget heading to support work with Catalyst South as set out in paragraph 5.3
- **Note** the AECOM report setting out the impact of the Local Growth deal to date as set out in paragraph 4.1 below.
- **Consider** the status of the live applications to the Restart, Restore and Recover (RRR) Loan Fund as set out in appendix I and **Agree** with the recommendations set out within it.

3. **Budget movements**

An analysis of the LEP's forecast expenditure for 2020/21 and the period 2021/22 to 2023/24 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 9 October 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	2023/24 £000's	Total £000's
Budget Agreed at LEP Board 9th October 2020	157,146	83,574	23,985	1,000	0	265,705
Getting Building Fund - Programme Management		15	40			55
EU Transition - capacity funding		136				136
Additional interest				400		400
LGD Programme - tail funding		(16,800)	16,800			0
Enterprise Zone - capital infrastructure works		(418)	418			
Growing Places Loans re-profiling			(6,763)	6,763		
Revised Budget	157,146	66,507	34,480	8,163	0	266,296
Cumulative Net GPL Fund Reserve Balance (see appendix D for details)		14,889	6,913	0	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 appendix E and this reflects the latest position agreed by the LEP Board at its meeting on 9 October 2020.

Cumulative Position of LGD Funding:

In terms of cumulative LGD actual expenditure, and the expected contracted activity (excluding the SME support allocations) to the 27 November 2020, the figures in table 2 below show a 99.5% commitment against the total cumulative funding received to date of £177.3m.

Table 2: Local Growth Deal Summary - Cumulative Actual Expenditure and Expected Contracted Activity as at 27 November 2020

	Actual 2015/16 £	Actual 2016/17 £	Actual 2017/18 £	Actual 2018/19 £	Actual 2019/20 £	Actual / Forecast @ 27 November 2020 £	Total Cumulative Forecast to 27 November 2020 £	Cumulative Contracted Activity vs funding Received as at 27 November 2020
LGD Actual / Contracted	38,833,432	37,807,314	8,312,999	7,804,531	12,982,743	70,574,090	176,315,109	99.5%
LGD Received (incl DfT retained returned)	40,391,667	42,640,334	24,302,028	12,967,860	11,752,686	45,202,686	177,257,261	
Over / (Under) Spend against Allocation	(1,558,235)	(4,833,020)	(15,989,029)	(5,163,329)	1,230,057	25,371,404	(942,152)	

At the time of writing 99.5% of the Local Growth Deal funding (including the LGD returned by DfT) is contractually committed with the remaining 0.5% forecast to be contractually committed by 31 December 2020.

We are still at a critical stage in terms of defrayal of the LGD with less than four 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.

As previously advised this risk has been compounded due to the impact of the COVID-19 pandemic where some projects had to stop work for a period of time and for a number of projects it is inevitable that a funding tail will now fall into the 2021/22 financial year.

This tail is currently forecast to be £16.8m however this could increase if other projects are unable to defray their funding in line with their latest forecasts

Appendix G sets out the projects that are expected to have a tail in 2021/22, the variations required to allow this and the financing mechanism available to all LEPs that the AB is advising the LEP Board to approve.

The latest LGD position can be found at appendix E alongside the updated status of each scheme which have also been RAG rated in the high-level delivery risk matrix at appendix F.

The LEP Executive and Accountable Body continue to work closely with all scheme leads to ensure that claims are being received and processed to achieve the maximum defrayal possible.

Crest Nicholson - Centenary Quay¹

At their November meeting FFPMG received an update from the new scheme lead for Centenary Quay and they will present a revised programme to a future meeting. Given the slippage in the scheme, the Board will also be asked to consider a variation to the funding agreement at a future meeting.

Isle of Wight Council - Floating Bridge

Further to the presentation by the Isle of Wight Council (IWC) scheme lead at the FFPMG meeting in November, and FFPMG's consideration of the issues and challenges faced by the project, the LEP are writing to IWC to request that an independent gateway-type review is undertaken in order to assist IWC in making the best decisions possible in order to resolve the ongoing issues impacting on the service.

QinetiQ - National Maritime Systems Centre + Innovation and Collaboration Hub (NMSC+ICH)

¹ Board members should be advised that, whilst the scheme was announced as part of LGD3, it was funded from a different source so this project will not form part of the capital switch considerations.

The LEP Executive have received a written request from QinetiQ seeking to vary their funding agreement for the above named project, and this is attached for board members' information at Appendix H.

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

The latest status of the fund including the approved loans and recent applications is contained in appendix I.

Local Growth Deal - Early Stage Impact Review

In January 2020, Solent LEP commissioned AECOM to undertake an early stage review of the economic impact of the Local Growth Deal investments and projects to date. This work in progress was scrutinised by FFPMG at their meeting on 19 June, and also by the Solent Growth Forum at two of their meetings on 26 June and 17 November, and it is attached in the reference material folder. A verbal update will be provided at the meeting.

4.2 **Getting Building Fund (GBF)**

The GBF allocation of £15.9m and the projects that this is funding has been added to the financial forecasts.

The Board have agreed to underwrite the second year of the funding to allow some of the projects to go ahead with full funding certainty and this is reflected in the funding scenarios that will be presented at the meeting.

The LEP were notified of £55,000 of capacity funding to support the work required to deliver the GBF and this has been added to the forecasts

A 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 **ERDF SME 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.

Round 1 was launched on 16 September 2020 for eligible SMEs to access grants of between £1,000 and £3,000 (and up to £5,000 in exceptional circumstances) and closed on 23 September. Round 2 opened on 9 November and closed on 23 November 2020.

Through round 1, 39 applications have been agreed by the Business Support Investment Panel (BSIP). The following table provides a breakdown of the Round 1 applications agreed by BSIP.

Category	Number of applications	Total of Grants
Wider Economy (excluding exceptional criteria)	23	£53,886
Visitor Economy (excluding exceptional criteria)	16	£42,937
Totals	39	£96,823

Board members should note that the figures in the above table differ from those previously reported as BSIP requested that the Executive engage with the five applicants that applied under the Exceptional criteria to secure additional

evidence that, when benchmarked against other businesses, they had been disproportionately impacted. In addition, two applications that were reconsidered and have subsequently been agreed by the BSIP for grant awards.

Round 2 of the fund saw 156 applications submitted. These are currently being reviewed and an update on their status will be provided at the Board meeting.

5.2 Brexit Transition Funding

All Growth Hubs will share in a £6.4m allocation for Brexit Transition funding. The LEP will receive a total of £136,000. £54,000 of this is for EU Transition Advisors for Outreach & Advice and a further £82,000 is for EU Transition Business Readiness. The LEP is currently securing additional capacity including two FTE International Trade Advisers, with plans to hold three Brexit Transition webinars. The activity can be scaled-up should the additional funding provide for this.

5.3 LEP Network and Southern LEPs

Each of the Southern LEPs has been asked to allocate £20,000 in 2020/21 to support regional work under Catalyst South to support work that Solent LEP is undertaking collaboratively with LEP partners in the Southern region. Funding to provide this support has been reallocated from the contingency / reserves budget in the 2020/21 financial year and the financial forecasts have been updated accordingly.

6. Regional Growth Fund Legacy Programmes

Work has continued at pace since the November FFPMG update in relation to RGF closure activity, and three of the remaining five programmes were considered by HM Government on 27 November 2020 and formally approved as closed. A further verbal update will be provided at the meeting on the two remaining programmes

7. Operational Costs

7.1 Interest on balances

The Accountable Body invests any government funding received in order to earn interest that in turn can be used to support LEP activities in a number of ways. The financial forecasts include the interest received in previous years and prudent forecasts for the current and future years.

Following a review of the funding held and the forecast defrayal for the current year and future years the outcome is that a further £400,000 has been added to the financial forecasts initially against the reserves / contingency heading to ensure there is operational capacity in place to manage the ongoing commitments associated with the local growth programmes and strategy and economic recovery activity. Further work will be undertaken to look at commitments and programmes running through to 2022/23 and also to consider the implications of the spending review and financial forecasts will be updated accordingly.

The staffing costs of the LEP are recharged across the various programme funds as appropriate and a final review will be undertaken in quarter 4 to ensure that these recharges reflect the actual incidence of the work taking place.

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.

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

The FFPMG and LEP Board have taken proactive action such as over-programming the LGD 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.

As stated in paragraph 4.3 above a number of scenarios will be presented at the meeting and appendix G provides further detail of the mechanisms and actions required to mitigate this risk.

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

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 request for Board approval the revised budget for 2020/21 of £66,507,368 as set out in appendix A and the revised budget for the period 2021/22 to 2023/24 as set out in appendix B. 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.

The latest position of the Local Growth Deal Fund as set out in appendix E noting the challenges of the full defrayal of the fund as set out in paragraph 4.1 of this report - 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 October 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
	£	£	£	£	£	£	£
<u>Solent RGF - Bridging the Gap:</u>							
Bridging the Gap (Phase 1, Phase 2 and Solent Wide)	0	(313,363)	0	0	0	0	0
RGF Solent EZ expansion Fund (Gosport Borough Council)	0	0	0	0	0	0	0
RGF 3 IOW Private Sector Support - Fund	0	0	0	0	0	0	0
<u>Local Growth Deal Funding:</u>							
SME Support - Solent Prosperity Fund	588,637	291,418	588,637	0	0	0	0
ERDF BTG - Awards (ERDF Funded)	0	0	0	0	0	0	0
ERDF BTG - Awards (LGD Match Funded)	0	0	0	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
<u>Other Enterprise Initiatives:</u>							
Solent Growth Hub	536,500	239,385	536,500	0	0	0	0
Peer Networks	150,000	0	150,000	0	0	0	0
EU Transition	0	0	136,000	136,000	0	0	136,000
Pay It Forward - Micro / Small Business Support (Revenue)	580,000	315,612	580,000	0	0	0	0
ERDF Restart and Recovery, and Kickstarting Tourism Grant Fund	407,341	0	407,341	0	0	0	0
SME Support - Business Intelligence and Readiness	0	275	0	0	0	0	0
Improving Digital Capability for SME's	0	0	0	0	0	0	0
Enterprise Total	2,512,478	533,327	2,648,478	136,000	0	0	136,000

Infrastructure (Land & Property)	Full Year Budget 2020/21*	Actual Expenditure up to 31 October 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
	£	£	£	£	£	£	£
<u>Growing Places Fund Loans:</u>							
Stubbington Bypass	0	0	0	0	0	0	0
Currently Programmed for 2018/19	0	0	0	0	0	0	0
Griffon Hoverwork	0	0	0	0			
<u>Growing Places Loan Fund:</u>							
Funding set aside to underwrite LGD over programming if required	0	0	0	0	0	0	0
Growing Places Loan Fund: Capital Loans Advanced	0	0	0	0	0	0	0
<u>Grants allocated (not repayable)</u>							
Stubbington Bypass indemnity	0	0	0	0	0	0	0
Funding set aside to underwrite LGD overprogramming if required							
<u>GPL Contingency Provisions and Programme Management costs</u>							
IoW Core Composites College Contingency	0	0	0	0	0	0	0
Growing Places Loan Fund Programme Management Costs	91,425	52,839	91,425	0	0	0	0
Sub-total: GPL Contingecny Provisions and Programme Management costs	91,425	52,839	91,425	0	0	0	0
<u>Solent Growth Deal:</u>							
The Hard Interchange (PCC)	0	0	0	0	0	0	0
Dunsbury Hill Farm Link Road (PCC)	0	0	0	0	0	0	0
Station Quarter North (SCC)	0	0	0	0	0	0	0
Station Roundabout / Gudge Heath Lane (HCC)	0	0	0	0	0	0	0
Cancer Immunology Centre	0	0	0	0	0	0	0
Environmental Mitigation - Solent Mitigation Disturbance project	0	0	0	0	0	0	0
Peel Common Roundabout and St Margaret's Roundabout	0	0	0	0	0	0	0
Newgate Lane South	(500,000)	(500,000)	(500,000)	0	0	0	0
Fareham and Gosport multiyear programme (A27 Dualling - phase 2)	0	0	0	0	0	0	0
Fareham and Gosport multiyear programme (A27 Dualling)	(170,000)	0	(170,000)	0	0	0	0

Solent Gateways (Isle of Wight Floating Bridge)	0	0	0	0	0	0	0
Solent Gateways (East Cowes and Trafalgar Dock)	0	0	0	0	0	0	0
North Whiteley Transport Improvements	12,094,720	4,125,786	9,894,720	(2,200,000)	(2,200,000)	0	0
Local Large Major transport schemes and infrastructure investment	0	0	0	0	0	0	0
BAE Marine Workshops and Maritime Support Centre	0	0	0	0	0	0	0
Regeneration Investment to unlock sites for growth	0	0	0	0	0	0	0
Programme Development Fund (feasibilities)	0	0	0	0	0	0	0
Solent Accelerated Housing Delivery Project	0	0	0	0	0	0	0
Solent Growth Deal - Programme Management Costs	154,205	142,142	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	1,580,000	(4,100,000)	(4,100,000)	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	2,750,000	0	2,750,000	0	0	0	0
Southsea Coastal Defences	5,000,000	0	5,000,000	0	0	0	0
ABP - Shore Power Initiative	4,434,350	0	4,434,350	0	0	0	0
M27 J10 - Business Case progression	900,000	0	900,000	0	0	0	0
LGD funding for allocation	4,942,152	0	4,942,152	0	0	0	0
LGD funding indicatively earmarked for projects in future years	0	0	0	0	0	0	0
(Over) / Under Programming	0	0	0	0	0	0	0
Sub-total - Local Growth Deal	41,102,988	3,767,928	34,802,988	(6,300,000)	(6,300,000)	0	0
Accountable Body Capital Expenditure (Funded by LGD to maximise use of LGD)	0	0		0			
<u>DfT Retained Schemes</u>							
Stubbington Bypass	25,499,000	0	14,999,000	(10,500,000)	(10,500,000)	0	0
Stubbington Bypass - Programme Management Costs	201,000	93,360	201,000	0	0	0	0
Growth deal provisional allocation for M27 Junction 10 (post 2016)	0	0	0	0	0	0	0
Sub-total - DfT Retained Schemes	25,700,000	93,360	15,200,000	(10,500,000)	(10,500,000)	0	0
<u>Getting Building Fund</u>							
Port of Southampton Cruise Terminal	4,000,000	0	4,000,000	0	0	0	0
Enzyme Recycling Techniques - Building an Industrial Engagement Hub	500,000	0	500,000	0	0	0	0
Fawley Waterside Digital	375,000	0	375,000	0	0	0	0
Branstone Farm Rural Employment Hub	1,100,000	0	1,225,000	125,000	0	125,000	0
Woolston 'Silicon Wharf' - Low carbon marine logistics technology and control centre	700,000	0	700,000	0	0	0	0
PfSH Nutrients	1,000,000	0	1,150,000	150,000	0	150,000	0
Programme Management	275,000	35,379	15,000	(260,000)	0	(275,000)	15,000
Sub-total - Getting Building Fund	7,950,000	35,379	7,965,000	15,000	0	0	15,000
<u>Other Capital Funding Programmes:</u>							
Building Foundations for Growth Capital Grant for EZ	417,783	0	0	(417,783)	(417,783)	0	0
Centenary Quay (DCLG Infrastructure House Building Capital Fund)	0	0	0	0	0	0	0
Centenary Quay - Switch with PCC Capital Resources		0		0	0	0	0
<u>Other Infrastructure Funding:</u>							
Capacity funding	36,801	7,802	36,801	0	0	0	0
One Public Estate	0	0	0	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	75,352,026	3,957,307	58,149,243	(17,202,783)	(17,217,783)	0	15,000

Place	Full Year Budget 2020/21*	Actual Expenditure up to 31 October 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	2,539	3,672	0	0	0	0
Place Total	3,672	2,539	3,672	0	0	0	0

Skills	Full Year Budget 2020/21*	Actual Expenditure up to 31 October 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 £
CEMAST - Fareham College	0	0		0	0	0	0

Solent Growth deal FE Capital (2015/16 - 2021)							
Eastleigh College Estates Renewal	0	0	0	0	0	0	0
IOW College Composites Centre	0	0	0	0	0	0	0
City Deal Wave 2:							
Fareham College - Civil Engineering Training Centre	430,582	375,974	430,582	0	0	0	0
Capacity funding	87,595	48,843	87,595	0	0	0	0
Solent Employer Ownership Programme	46	0	46	0	0	0	0
Careers Enterprise Company / Enterprise Adviser Network	454,897	158,688	454,897	0	0	0	0
Skills Advisory Panels	127,330	12,485	127,330	0	0	0	0
Skills Total	1,100,450	595,990	1,100,450	0	0	0	0

Strategic Sectors	Full Year Budget 2020/21*	Actual Expenditure up to 31 October 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
	£	£	£	£	£	£	£
Solent Futures RGF Round 3:							
Training Scheme	0	0		0	0	0	0
Supply Chain	0	0		0	0	0	0
Other Strategic Sector Initiatives:							
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
Maritime UK Solent: Capacity Funding	50,000	28,688	50,000	0	0	0	0
Strategic Sectors Total	3,370,666	2,593,352	3,370,666	0	0	0	0

Innovation	Full Year Budget 2020/21*	Actual Expenditure up to 31 October 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
	£	£	£	£	£	£	£
FBC - Fareham Innovation Centre	0	0		0	0	0	0
Saab SeaEye	0	0	0	0	0	0	0
Innovation Fund unallocated / New Call	0	0	0	0	0	0	0
Innovation Fund - Programme Management	0	0	0	0	0	0	0
Local Growth Deal Fund - Innovation Projects				0			
University of Portsmouth Future Technology Centre (LGD contribution)	0	0	0	0	0	0	0
BAE Marine & Maritime Test Bed	(456,633)	(456,633)	(456,633)	0	0	0	0
UoS - Web Science (Z21)	0	0	0	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 October 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	274,265	500,000	0	0	0	0
Office costs	95,000	63,571	95,000	0	0	0	0
Finance costs including forecast costs for Democratic Services for future years	80,000	41,526	80,000	0	0	0	0
Legal support	70,000	25,385	70,000	0	0	0	0
Marketing & Communication costs	100,000	30,271	100,000	0	0	0	0
Contingency / Reserves	450,000	0	450,000	0	0	0	0
Solent 2050	281,027	172,201	281,027	0	0	0	0
SEEDA legacy funding for business engagement	0	0	0	0	0	0	0
LEP Network / Catalyst South	27,000	7,000	27,000	0	0	0	0
Operational Central Costs Total	1,603,027	614,218	1,603,027	0	0	0	0

Total LEP Budget	83,574,151	7,840,100	66,507,368	(17,066,783)	(17,217,783)	0	151,000
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* As agreed at LEP Board 9 October 2020

SOLENT LOCAL ENTERPRISE PARTNERSHIP - BUDGET FORECAST TO 2023/24								
ENTERPRISE (BUSINESS SUPPORT)	Actual Expenditure to end 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	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)	-	450,000	-	-	-	450,000	450,000	-
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	-
EU Transition	-	136,000	-	-	-	136,000	136,000	-
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	2,648,478	158,255	0	0	15,658,173	15,658,173	-
INFRASTRUCTURE (Land & Property)	Actual Expenditure to end 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	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)	-	-	7,000,000	6,762,916	-	13,762,916	13,762,916	-
Growing Places Loan Fund: Capital Loans Advanced / Available	13,000,000		7,000,000	6,762,916		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	(170,000)	-	-	-	3,957,000	3,957,000	-				
Solent Gateways (Isle of Wight Floating Bridge)	3,776,782	-	-	-	-	3,776,782	3,776,782	-				
North Whiteley Transport improvements	1,905,280	9,894,720	2,200,000	-	-	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	-	1,580,000	4,100,000	-	-	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	(687,000)	(1,374,000)	(689,000)	689,000	689,000	-				
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 - buisness 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 set aside for Getting Building Fund 2020/21 over-programming / LGD loan repayments	-	4,942,152	687,000	1,374,000	689,000	7,003,152	7,003,152	-				
SUB TOTAL: Solent Growth Deal:	56,300,769	34,802,988	6,500,000	-	-	97,603,757	97,603,757	-				
DfT Retained Schemes												
Stubbington Bypass	-	14,999,000	10,500,000	-	-	25,499,000	25,499,000	-				
Stubbington Bypass - Programme Management Costs	-	201,000	-	-	-	201,000	201,000	-				
M27 J10 - Initial Buisness Case preparation	4,650,000	-	-	-	-	4,650,000	4,650,000	-				
SUB TOTAL: DfT Retained Schemes:	4,650,000	15,200,000	10,500,000	-	-	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	-	1,225,000	1,225,000	-	-	2,450,000	2,450,000	-				
Woolston 'Silicon Wharf' - Low carbon marine logistics technology and control centre	-	700,000	700,000	-	-	1,400,000	1,400,000	-				
PfSH Nutrients	-	1,150,000	1,150,000	-	-	2,300,000	2,300,000	-				
Programme Management	-	15,000	40,000	-	-	55,000	55,000	-				
Sub-total - Getting Building Fund	-	7,965,000	7,990,000	-	-	15,955,000	15,955,000	-				
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	58,149,243	32,557,783	6,912,916		186,634,544	186,634,544					

PLACE	Actual Expenditure to end 2019/20
Capacity funding	331,328
Place Total	331,328

Budget 2020/21
3,672
3,672

Budget 2021/22	Budget 2022/23	Budget 2023/24
-	-	-
0	0	0

Total Budget	Total Forecast Expenditure	Variance
335,000	335,000	-
335,000	335,000	-

SKILLS	Actual Expenditure to end 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	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	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	Budget 2023/24	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	0	15,579,619	15,579,619	-

INNOVATION	Actual Expenditure to end 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	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	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	Budget 2023/24	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	430,000	749,960	-	1,629,960	1,629,960	-
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 (Catalyst South)	37,000	27,000	28,256	-	-	92,256	92,256	-
Operational Central Costs Total	4,782,082	1,603,027	1,501,996	1,249,960	0	9,137,065	9,137,065	-

LEP BUDGET GRAND TOTAL	Actual Expenditure to end 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	Total Budget	Total Forecast Expenditure	Variance
	157,145,958	66,507,368	34,480,285	8,162,876	0	266,296,487	266,296,487	-

FUNDING SUMMARY	Actual Expenditure to end 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	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	29,266,241	6,300,000	-	-	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	25,450,000	10,500,000	-	-	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
EU Transition	-	136,000	-	-	-	136,000
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	-	7,000,000	6,762,916	-	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	588,295	-	2,226,714
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	-	7,965,000	7,990,000	-	-	15,955,000
Grant Total - Funding	157,145,959	66,507,368	34,480,285	8,162,876	0	266,296,487

Growing Places Fund - Forecast Reserve for Future Projects	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	Total Budget
Net Cumulative Growing Places Reserve Forecast - see appendix D for details	14,889,471	6,912,916	(0)	(0)	(0)

TOTAL FUNDING TO SUPPORT LEP ACTIVITY	266,296,487
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APPENDIX C

Corporate and Strategic Risk Register

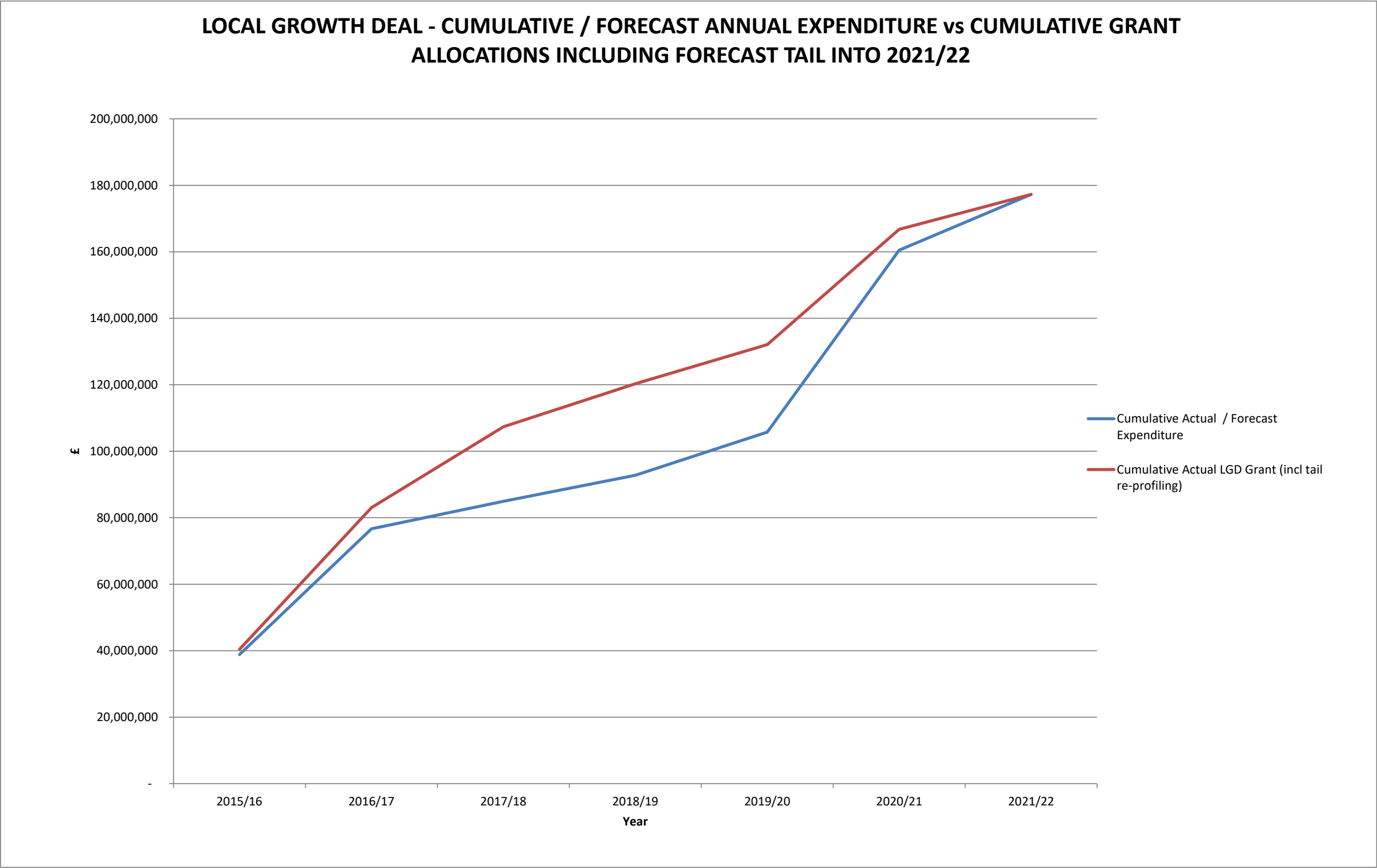
A confidential report will be considered at the meeting

GROWING PLACES LOAN FUND POSITION

Fund Activity	2013/14 £	2014/15 £	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	Total £
Opening Balance	0	(10,064,210)	(5,889,210)	(9,108,371)	(10,214,945)	(12,315,855)	(12,710,861)	(12,671,143)	(14,889,471)	(6,912,916)	0	
Capital Injection	(16,739,210)											(16,739,210)
Loans Out (Round 1 - tranches 1 to 4):												
CEMAST	2,175,000	825,000										3,000,000
Solent EZ Infrastructure package	4,500,000	3,500,000										8,000,000
Griffon Hoverwork		1,000,000	1,000,000									2,000,000
Subsequent Allocations:												
New Solent Shared Prosperity Fund (loan element)									7,000,000	6,762,916		13,762,916
Sub-total: Loans Advanced	6,675,000	5,325,000	1,000,000	0	0	0	0	0	7,000,000	6,762,916	0	26,762,916
Contingency Provisions												
Local Growth Deal:												
Funding set aside to underwrite LGD overprogramming if required							0	0	0			0
Stubbington Bypass indemnity							0	0	0			0
Operational Costs			230,839	42,000	0	386,653	0	890,247	826,555			2,376,294
Sub-total: Contingency Provisions	0	0	230,839	42,000	0	386,653	0	890,247	826,555	0	0	2,376,294
Growing Places Loan Fund Programme Management Costs			75,000	51,426	24,090	18,341	39,718	91,425	150,000	150,000	0	600,000
Total: Contingency Provisions and Growing Places Loan Programme Management Costs	0	0	305,839	93,426	24,090	404,994	39,718	981,672	976,555	150,000	0	2,976,294
Loans repaid (Capital Receipts)												
Round 1												
CEMAST		(300,000)	(575,000)	(800,000)	(1,325,000)							(3,000,000)
Solent EZ Infrastructure package		(850,000)	(3,950,000)					(3,200,000)				(8,000,000)
Griffon Hoverwork				(400,000)	(800,000)	(800,000)	0					(2,000,000)
	0	(1,150,000)	(4,525,000)	(1,200,000)	(2,125,000)	(800,000)	0	(3,200,000)	0	0	0	(13,000,000)
Sub-total: Total Planned Fund Repayments	0	(1,150,000)	(4,525,000)	(1,200,000)	(2,125,000)	(800,000)	0	(3,200,000)	0	0	0	(13,000,000)
TOTAL CUMULATIVE BALANCE OF FUND AVAILABLE								(14,889,471)	(6,912,916)	0	0	

SOLENT LOCAL ENTERPRISE PARTNERSHIP - LOCAL GROWTH DEAL FUNDING BY SCHEME (INCLUDING DfT RETAINED SCHEME FUNDING)								
SCHEME NAME	Actual 2015/16	Actual 2016/17	Actual 2017/18	Actual 2018/19	Actual 2019/20	Budget 2020/21	Budget Tail 2021/22	Total Budget
Solent Growth Fund (Growth deal - 2015/16 to 2021) / - SME Support from Solent Prosperity Fund (2018/19 to 2020/21)	355,932	1,405,872	380,283	984,025	1,119,607	0		4,245,719
SME Support (COVID-19 priorities)	-	-	-	-		400,000		400,000
Crowdfunder - Pay It Forward	-	-	-	-	20,000	580,000		600,000
Solent Growth Fund (Growth deal - 2015/16 to 2021) - Programme Management	150,500	149,500	179,150	141,198	141,014	138,638		900,000
The Hard Interchange (PCC)	4,832,000	-		-	-	-		4,832,000
Dunsbury Hill Farm Link Road (PCC)	4,540,000	-	-	-	-	-		4,540,000
Station Quarter North (SCC)	4,185,000	-	-	-	-	-		4,185,000
Station Roundabout / Gudge Heath Lane (HCC)	2,065,000	2,888,893	-	-	-	-		4,953,893
Cancer Immunology Centre	4,500,000	-	-	-	-	-		4,500,000
Environmental Mitigation - Solent Mitigation Disturbance project	1,355,000	-	-	-	-	-		1,355,000
Eastleigh College Estates Renewal	6,810,000	2,190,000	-	-	-	-		9,000,000
IOW College Composites Centre	5,400,000	5,500,000	-	-	-	-		10,900,000
Capitalisation Costs for Solent Growth Deal Programme Management and Capacity funding	300,000	344,997	372,762	431,543	274,794	154,206		1,878,302
Peel Common Roundabout and St Margarets Roundabout	4,340,000	-	-	-	-	-		4,340,000
Newgate Lane South	-	6,072,571	2,927,429	-	-	(500,000)		8,500,000
Fareham and Gosport multiyear programme (A27 Dualling - phase 2)	-	3,198,000	-	-	-	-		3,198,000
Fareham and Gosport multiyear programme (A27 Dualling)	-	4,127,000	-	-	-	(170,000)		3,957,000
Solent Gateways (Isle of Wight Floating Bridge)	-	3,776,782		-	-	-		3,776,782
Innovation Fund - Fareham Innovation Centre - Phase 2		2,000,000	-	-	-	-		2,000,000
Innovation Fund - Programme Management Costs		75,000	134,544	28,975	-	-		238,519
Innovation Fund - BAE Maritime and Test Bed		456,633				(456,633)		0
Innovation Fund - Future Technology Centre (University of Portsmouth)		1,050,000						1,050,000
Contribution to BAE Employer Ownership Programme Scheme		129,000						129,000
National Maritime Systems Centre		-	1,679,334			3,320,666		5,000,000
Local Large Major transport schemes and infrastructure investment		-	339,497	24,220	-	-		363,717
BAE Marine Workshops and Marine Support Centre		943,066						943,066
Stubbington Bypass - LGD		3,500,000			3,500,000	1,500,000		8,500,000
Stubbington Bypass - LGD (DfT retained)						14,999,000	10,500,000	25,499,000
Stubbington Bypass - programme management costs						201,000		201,000
Fareham College - Civil Engineering Training Centre					2,402,418	430,582		2,833,000
Southampton Solent University - Warsash School of Maritime Science and Engineering			2,300,000	4,044,570	1,119,630			7,464,200
North Whiteley		-	-	-	1,905,280	9,894,720	2,200,000	14,000,000
A326 Highway Improvements	-	-	-	-	-	1,580,000	4,100,000	5,680,000
IOW Island Line - Brading Loop	-	-	-	-	-	700,000		700,000
University of Portsmouth - Centre for Creative and Immersive XR						3,617,561		3,617,561
Southsea Coastal Defences						5,000,000		5,000,000
ABP - Shore Power Initiative						4,434,350		4,434,350
COVID-19 Grants to support SME's				-	-	300,000		300,000
COVID-19 Loan Fund						2,750,000		2,750,000
M27 J10 - original business case development (LGD - DfT retained)				2,150,000	2,500,000			4,650,000
M27 J10 - business case progression						900,000		900,000
LGD funding set aside for Getting Building Fund 2020/21 over-programming						4,942,152		4,942,152
SUB-TOTALS:	38,833,432	37,807,314	8,312,999	7,804,531	12,982,743	54,716,242	16,800,000	177,257,261
LGD funding committed / approved or indicatively earmarked across future years		-			-	-		0
TOTAL EXPENDITURE ON APPROVED LOCAL GROWTH DEAL SCHEMES	38,833,432	37,807,314	8,312,999	7,804,531	12,982,743	54,716,242	16,800,000	177,257,261
Accountable Body Capital Expenditure (Funded by LGD to maximise use of LGD)	1,000,000		-	-	-	-		1,000,000
TOTAL UTILISATION OF LOCAL GROWTH DEAL	39,833,432	37,807,314	8,312,999	7,804,531	12,982,743	54,716,242	16,800,000	178,257,261

FUNDING AGREED / INDICATIVE ALLOCATIONS								
Solent Growth Deal Funding - received	40,391,667	42,640,334	24,302,028	10,817,860	9,252,686	9,252,686	-	136,657,261
DfT Retained funding returned to the LEP	-	-	-	-	-	10,250,000	-	10,250,000
DfT Retained funding - M27 J10 Buisness Case	-	-	-	2,150,000	2,500,000	-	-	4,650,000
DfT Retained funding - Stubbington Bypass	-	-	-	-	-	15,200,000	10,500,000	25,700,000
Capital Funding from Accountable Body (Returned)	-	1,000,000	-	-	-	-	-	1,000,000
Funding Slippage / Acceleration	(558,235)	(5,833,020)	(15,989,029)	(5,163,329)	1,230,057	20,013,556	6,300,000	-
TOTALS:	39,833,432	37,807,314	8,312,999	7,804,531	12,982,743	54,716,242	16,800,000	178,257,261
Variance:								
	0	0	0	0	0	0	0	0



APPENDIX F

Project Risk Status Matrix

A confidential report will be considered at the meeting

APPENDIX G

Year-end Financing and Variation Requests

A confidential report will be considered at the meeting

APPENDIX H

Scheme Lead Letter

A confidential report will be considered at the meeting

APPENDIX I

RRR Loan Fund Status Update

A confidential report will be considered at the meeting

11.12.2020

Item 5b

Getting Building Fund Update

Item Number: 5b
Item Title: Getting Building Fund Update
Meeting Date: 11th December 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
- **Consider** and **Agree** the due diligence report at annexe A for the Isle of Wight Council Branstone Rural Employment Hub Project
- **Consider** and **Agree** the due diligence report at annexe B for the Fawley Waterside Fawley Digital Project
- **Consider** and **Agree** the due diligence report at annexe C for the Hampshire and Isle of Wight Wildlife Trust Nitrates Mitigation Project
- **Agree** to delegate authority to the LEP Executive and the Accountable body to finalise funding agreements for:
 - A. Grant funding of up to £2,225,000 to the Isle of Wight Council Branstone Rural Employment Hub Project, subject to a range of pre-conditions that will be notified to the scheme lead.
 - B. Grant funding of up to £750,000 to Fawley Waterside Fawley Digital Project, subject to a range of pre-conditions that will be notified to the scheme lead.
 - C. Loan funding of up to £2,000,000 to Hampshire and Isle of Wight Wildlife Trust to acquire a site as part of the Nitrates Mitigation Project, to be repaid in instalments, as agreed with the LEP and Accountable Body, subject to a range of pre-conditions that will be notified to the scheme lead.
- **Agree** to extend the four-week consultation time period for Getting Building Fund projects to six weeks for the Fawley Digital business case consultation to account for the Christmas and New Year period.

2. Overview

This paper provides an update on the six Getting Building Fund projects and seeks a decision from the Board in relation to the following three projects:

- Fawley Waterside Digital - Fawley Waterside
- Branstone Farm Rural Employment Hub - Isle of Wight Council
- Nutrient Mitigation - Hampshire and Isle of Wight Wildlife Trust

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 projects are 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 - Hampshire and Isle of Wight Wildlife Trust

This programme was confirmed by the Government on 4th August 2020 in the Getting Building Fund Summary.

Contracts with ABP for the Fifth Cruise Terminal and with University of Portsmouth for the Centre for Enzyme Innovation have been executed. Works to deliver the Fifth Cruise are advanced. A recent BBC News article on the ABP for the Fifth Cruise Terminal is available here: <https://www.bbc.co.uk/news/uk-england-hampshire-55049748>.

The Board agreed the due diligence report and its recommendation to award funding to the Ocean Infinity Silicon Wharf Project at its meeting in October. An update on this project will be provided in Item 5b Annexe D, which will follow.

The remaining three projects each submitted their business cases by the deadline set of 31st October 2020 and have progressed through due diligence. The due diligence reports are attached as follows:

- Isle of Wight Council Branstone Rural Employment Hub Project - Annexe A
- Fawley Waterside Fawley Digital Project - Annexe B
- Hampshire and Isle of Wight Wildlife Trust Nitrates Mitigation Project - Annexe C

The Board are asked to consider the recommendations in annexes A, B and C.

The business cases for the above three projects are provided for Board Members.

The consultations on the Nitrates Mitigation and Branstone Rural Employment Hub projects are underway, completing on 9th and 21st December respectively. At the time of writing the Executive is awaiting the publishable business case for Fawley Digital. As a four-week consultation period for the Fawley Digital project would either close during, or run through, the Christmas / New Year period, the approval of the Board is sought for the consultation to run for six weeks.

Any funding awards by the LEP Board would be made in accordance with the grant determination letter for the Getting Building Fund. 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, which, itself must be compliant with the standards outlined in the National Local Growth Assurance Framework.

4. Legal implications

There are no direct legal implications arising from the above recommendations. Each fund decision will be review and managed by the drafting of each specific Grant Agreement. 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.

5. Equality impact assessment

An EIA has been prepared and considered in relation to the Getting Building Fund and it is considered that there are no negative impacts on groups identified in the EIA.

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

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 Solent LEP have been awarded £15.9m from the Getting Building Fund and the grants conditions require that 50% of this allocation is fully defrayed by 31 March 2021 and the remainder by 31 March 2022 and these requirement have been passed on to each project as part of their funding agreements. Further 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 included under item 5a3 of this agenda.

Annexe A – Review of Business Case submission for Branstone Rural Employment Hub
A confidential report will be considered at the meeting

Annexe B – Review of Business Case submission for Fawley Wtaerside Vodafone Fibre Deployment
A confidential report will be considered at the meeting

Annexe C – Review of Business Case submission for Nature Based Mitigation solution
A confidential report will be considered at the meeting

Annexe D – Update on Ocean Infinity project
A confidential report will be considered at the meeting

11.12.2020

Item 6

Governance Update

Item 6

Title: Governance Update
Date: 11th December 2020
Purpose: For Decision

1. Draft Resolution

Board members are asked to:

- **Agree** the updated LEP Assurance framework and revised schemes of delegation and **Delegate Authority** to the Executive to finalise the documents for publication by the required deadline of 28th February 2021; and
- **Agree** the executive scheme of delegation in Annexe B (including additional delegations relating to HM Government returns); and
- **Agree** the Board and Panel Scheme of Delegation in Annexe C (including the proposal to increase to the FFPMG financial delegation from £500,000 to £1.5m in line with recent updates to the executive scheme of delegation); and
- **Agree** to appoint a Deputy Chair from amongst the existing Solent LEP Business Directors at the Board meeting on Friday 11 December 2020; and
- **Provide Advice** to the Executive in relation to the process, time frame and required and desirable characteristics to inform the development of an application pack for the consideration of the LEP Board; and to **Delegate** authority to the executive to finalise the process for recruitment; and
- **Agree** to launch the application process on 25 January 2021 and to **Delegate** authority to the executive to take this forward; and
- **Note** the update in relation to Board retirements; and
- **Note** the update in relation to length of service; and
- **Agree** to support the proposal to bring forward a resolution to the Membership with the notice of the AGM to recommend the re- appointment of a Director(s) at the meeting, to be decided via a vote at the meeting in each of the relevant class(es) of Membership; and
- **Delegate** authority to the Executive and Company Secretary to finalise the resolution in consultation with the Chair of the Board.

2. Overview

As part of the ongoing work on assurance and the commitment to continuous improvement the board are required to review the following:

- The Solent LEP assurance framework for publication in 2021 and the work undertaken by FFPMG on a draft to include proposed changes for 2021; and
- Board succession planning including the appointment of a Deputy Chair and recruitment to the B Director Vacancy to include consideration of the advice from SERCOM on these matters; and
- Preparation for the forthcoming AGM in 2021 to include consideration of Board Director retirements

3. The Assurance Framework

The Solent LEP has, for a number of years, established a process of reviewing and updating its local Assurance Framework on an annual basis to ensure continued best practice in relation to governance and management with a view to ensuring the significant public funds entrusted to the LEP can be spent with regularity and propriety in a transparent and accountable manner that always ensures best value for public money.

In line with a number of key publications, this year's review will need to consider any updates to its Assurance Framework during the annual review of the document to ensure continued compliance with the policy requirements of:

- a. Strengthened Local Enterprise Partnerships (available here: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/728058/Strengthened_Local_Enterprise_Partnerships.pdf),
- b. CIPFA Principles for section 151 officers in accountable bodies working with local enterprise partnerships (available here: <https://www.lepnetwork.net/media/1813/principles-for-section-151-officers-and-leps.pdf>),
- c. The updated National Assurance Framework for LEPs (available here: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/768356/National_Local_Growth_Assurance_Framework.pdf)

In relation to bullet point c. above, the National Assurance Framework was last updated by HM Government in January 2019, and currently we are not expecting a further revision. Should this change there will be a requirement to review any updated framework to ensure that our local Assurance framework for 2021 is compliant. There is a requirement to publish our new framework in February 2021, to ensure that the S151 officer of our accountable body can write to the MHCLG accounting officer by 28th February to confirm compliance with the National Local Growth Assurance Framework.

Notwithstanding that there are no changes to the national framework, the Solent LEP remains strongly committed to continual improvement and a review of the local Assurance Framework has been undertaken with a view to identifying any areas where updates are required or there is an opportunity to strengthen the existing framework. This included initial review of draft updates by FFPMG during November.

Annexe A includes a track changed version of the main Assurance Framework document with recommended updates that were considered by FFPMG at their meeting in November. Board Members should note that this is a working draft version and, as such, does include a number of drafting notes. There are changes marked as tracked or highlighted throughout the document and, alongside the general review of changes, Board Members should note the updated draft foreword. This is a critical section as it will form the draft assurance statement that the LEP Chair and Chief Executive are required to submit to Government as part of the Annual Performance Review process. Board members should also note section E and the prioritisation framework for investment, which has been updated to reflect a range of factors including emerging local and national strategy and revisions to the HMG Green Book announced at Budget 2020.

In addition to this review of the main document, the executive has undertaken a review of the wider framework. This consists of a range of linked documents (including terms of reference, schemes of delegation, advice to scheme promoters and policy documentation). A review of these documents is underway, and a number of recommended changes have been identified. These can be found in the following documents, which are also included as Annexes to this paper in track changed format:

- Executive scheme of delegation - Annexe B (including additional delegations relating to HM Government returns)

- Board and Panel Scheme of Delegation - Annexe C (including a recommended increase to the FFPMG financial delegation from £500,000 to £1.5m in line with recent updates to the executive scheme of delegation)

Board Members are asked to:

- **Agree** the updated LEP Assurance framework and revised schemes of delegation and **Delegate Authority** to the Executive to finalise the documents for publication by the required deadline of 28th February 2021; and
- **Agree** the executive scheme of delegation in Annexe B (including additional delegations relating to HM Government returns); and
- **Agree** the Board and Panel Scheme of Delegation in Annexe C (including the proposal to increase to the FFPMG financial delegation from £500,000 to £1.5m in line with recent updates to the executive scheme of delegation)

4. Appointment of a Deputy Chair

As previously agreed, and further to the conclusion of the Chair election at the end of September the Board now need to consider the appointment of a Deputy Chair. In relation to process the board will note that under the Solent Local Enterprise Partnership Limited's Articles of Association, the Board have the flexibility to either:

1. Invite the Business Members to vote to appoint a Deputy Chair (from amongst the existing Solent LEP Business Directors or new Business Director candidates)¹, or;
2. Appoint a Deputy Chair from amongst the existing Solent LEP Business Directors².

In relation to option 1, the LEP Board does currently have a vacancy for an additional Business Director and this option would enable the LEP to advertise for a Deputy Chair position. There is a potential that this could result in securing a stronger pool of candidates than advertising for a Business Director role. However, it is noted that the LEP has routinely secured very strong candidates when advertising for Business Director roles.

Under the Local Assurance Framework, SERCOM are expected to ensure that there are robust succession planning processes in place going forward. Option 2 provides an opportunity to establish a succession planning pathway for non-executive directors. This has proved an effective tool in relation to the appointment of the current Solent LEP Chair, who has moved from a Panel Chair role, to a Board Director role, to Deputy Chair, ahead of their eventual election to the role of LEP Chair.

In addition to the succession planning benefits, option 2 will also enable the appointment of a Deputy Chair at pace. This will avoid the need for the LEP to maintain an interim position for a prolonged period and, in addition to this, will strengthen the business leadership of the LEP at a time of significant uncertainty for businesses in the area as work to mitigate the impacts of the global pandemic continue.

SERCOM considered both options at a meeting on 1 December 2020 and have advised that the board consider appointing a Deputy Chair from amongst the existing Solent LEP Directors at the Board meeting on Friday 11 December 2020

On the basis of the above, the Board are asked to:

Agree to appoint a Deputy Chair from amongst the existing Solent LEP Business Directors at the meeting on Friday 11 December 2020.

¹ Article 10.2.3.2

² Article 38.2

5. Appointment to the vacant B Director role

The appointment of an internal candidate, Brian Johnson, to the role of LEP Chair has resulted in a vacancy on the LEP Board for an additional Business Director.

Article 60.2 of the LEPs Articles of Association enable the Board to regulate the required characteristics to be demonstrated by persons seeking appointment to directorship and the electoral process to be applied by the company in relation to the appointment of new directors. On this basis, the Board will need to consider the approach to the forthcoming Business Director recruitment process at the December Board meeting and the Executive sought the advice of SERCOM in a number of areas in order to inform the development of proposals for the Board.

Considering the timeframes associated with the process, the LEP Board will not be able to recruit a new director by the date of the February Board meeting. The Solent LEP AGM is scheduled for 12th March and this represents an opportunity to facilitate direct engagement for the candidates with the membership. Considering that the meeting will be held virtually, this engagement would need to be managed appropriately, however, an opportunity for each candidate to make a short representation to the membership could be provided as part of the agenda.

Whilst the Board can agree the recruitment process in December, it is not recommended that this is launched until the new year considering the Christmas holiday period will be very soon after the Board meeting.

It should be noted that this would result in the Board carrying a vacancy for a longer period. However, this timeframe may be beneficial for a number of reasons including.

- A January launch will coincide with the end of the UK Transition Period and there is a risk business leaders will have different priorities at this time. This may impact on the level of applications received and a longer timeframe would enable a later start date. Avoiding this period would also enable additional executive resource to be targeted towards business support activity during this critical time.
- A longer timeframe would enable an extended application window and voting period, which will enable additional activity to be undertaken to secure applications and votes.
- Considering the next LEP Board meeting is scheduled for 21st May, the timeframe would enable appointment of a new Director ahead of the meeting.

Timetable

Timetable	
Application process to open	Monday 25 th January 2020
Closing date for applications:	Friday 19 th February 2020
Eligibility checks on applications:	w/c Monday 22 nd February 2020
Applicants notified of outcome of eligibility checks (and eligible new B Member applicants sent joining documentation)	Monday 1 st March 2020
Deadline for return of membership and application documentation for new B Member applicants:	Monday 8 th March 2020
All LEP B Members and B Director candidates notified of election process and timetable:	Tuesday 9 th March 2021
Candidates to make 5 minute presentation to Membership at Solent LEP AGM	Friday 12 th March 2020
Voting opens:	Friday 12 th March 2020 (Following AGM)

Voting Closes:	Friday 9 th April 2020
Outcome verified and notified:	Monday 12 th April
Solent LEP Board Meeting	Friday 21 st May 2020

Required Characteristics

In relation to the required characteristics to be demonstrated by persons seeking appointment to directorship, there are three categories of criteria that will feature in the application process as follows:

Eligibility Requirements established by the Articles of Association

These are essential requirements that candidates must be able to demonstrate in order to be eligible that are governed by the Articles of Association. The Board do not have flexibility to amend these. For completeness, this includes the following:

- Are an owner or part owner (whether by way of shareholding, partnership or direct proprietorship), or board level or similar officer, of a B member in Solent Local Enterprise Partnership Limited or a Recommended Person³.
- Are not disqualified under the Articles of Association of the Solent LEP.

Eligibility Requirements established by the Board of Directors

These are essential requirements that candidates must be able to demonstrate in order to be eligible that are set by the LEP Board. The Board have flexibility to amend or add to these. The following list of essential characteristics has been developed for consideration based on previous Business Director recruitment processes and the current Board composition:

- Have first-hand knowledge and current experience of the local Solent business/local government/education environment, through a strong and proven track record of business leadership at a senior level.
- Have substantial experience and understanding of structuring effective working relationships with the private/public/education sector in local, regional, national and international fora.
- Have knowledge, understanding and a demonstrable commitment to leading and delivering economic change in the Solent area.
- Have the ability to make informed, balanced and independent judgements on key economic issues for the Solent.
- Have the ability to consider the long-term implications and broad view of issues, identifying opportunities and key risks.
- Have the ability to act as an ambassador for the Solent economic area, with extensive experience of working within the private sector and engaging the confidence of local and central government (including Ministers of State), other public agencies as appropriate and key businesses and business organisations.
- Would, if appointed, be considered to be an independent non-executive Director, as set out in the UK Corporate Governance Code

Desired Characteristics established by the Board of Directors

³ For the purposes of this Article 27.1, a "Recommended Person" shall mean a person who has, within the five-year period prior to their appointment as a B Director, been an owner or part owner (whether by way of shareholding, partnership or direct proprietorship), or board level or similar officer, of a B member and who the Board resolve to approve as a candidate for directorship as a B Director. Such approval shall be time limited and shall be for such period of time as the Board may, in its discretion, determine, and may be extended from its original duration by Board resolution, provided that the period of approval as a Recommended Person may not exceed four years in total.

These are desirable characteristics which would not impact on a candidate's eligibility but would inform the narrative of the application pack and associated communications activity. The Board have flexibility to amend or add to these. The following list of desirable characteristics have been discussed with members of SERCOM and also take into consideration HM Government targets and feedback, the Solent Economic Recovery Plan and the current Board composition:

- Female business leaders
- Business leaders from a BAME background
- SME business leaders
- Business leaders with expertise in the hospitality, retail and visitor and cultural sectors.
- Geography

In addition to the above desirable characteristics, and in recognition of the National Assurance Framework requirement for the LEP Board to secure equal gender representation by 2023, it is recommended that the Board include a requirement to ensure that there is at least one eligible female candidate for the consideration of the Business Membership and commitment to extend the application deadline in the event that there are no applications from female business leaders within the initial application window.

The Board are asked to:

- **Provide Advice** to the Executive in relation to the process, time frame and required and desirable characteristics to inform the development of an application pack; and to **Delegate** authority to the executive to finalise the process for recruitment; and
- **Agree** to launch the application process on 25 January 2021 and to **Delegate** authority to the executive to take this forward.

6. Board Director retirements in 2021

The Solent LEP AGM has been provisionally scheduled for 12th March 2021 and it is anticipated that this will be the first AGM to be held as a virtual meeting due to the ongoing impact of the Covid-19 pandemic. The meeting will be the Companies 9th AGM.

The retirement of Directors is covered under Articles 32 - 34 of the Solent LEPs [Articles of Association](#). These provisions require that, at every third annual general meeting, one-third of the directors (excluding the Chair, the Deputy Chair) or, if their number is not three or a multiple of three, the number nearest to one third must retire from office. If there is only one director, he or she must retire.

Excluding the Chair, the number nearest to one third of the Board is five Directors (5/14). The following table provides a summary of the tenure of Board Directors, with the longest serving five Directors highlighted, as at the date of the Board meeting.

Name	Joined date	Length of Service at 12 th March 2021 AGM (to nearest year)
Sean Woodward	18/03/2011	10
Anne-Marie Mountifield	28/09/2012	8
Brian Johnson (Chair) ⁴	09/09/2015 (Board) 01/10/2020 (Chair)	4
Dave Stewart	14/03/2017	4
Kevin George	03/07/2017	4
Rachael Randall	03/07/2017	4

⁴ Brian Johnson was appointed LEP Chair on 01 October 2020 on a 3-year tenure to 30 September 2023.

David Youngs	24/05/2018	3
Gerald Vernon Jackson	12/06/2018	3
Christopher Hammond	12/06/2018	3
SJ Hunt	27/09/2018	2
Paula Swain	27/09/2018	2
Graham Galbraith	01/10/2019	1
Judith Grajewski	02/10/2019	1
Nick Loader	12/11/2019	1
Jo Sawford	28/02/2020	1

The board should note that in line with the recommendations at section 3 of this paper, should the Board agree the appointment of a Deputy Chair at the meeting on Friday 11 December 2020, they will be subject to a separate tenure and not included within the usual retirement of Directors process. If, alongside this, the Board proceeds with the B Director recruitment as per the timetable under section 5 of this paper, there will only be 13 Board Members included for consideration as a result. In these circumstances, and on the basis that the number nearest to one third of 13 is reduced, 4 Directors would be required to retire by rotation. Under this scenario, the board should note that due to 2 of the Board Directors being appointed on the same date (as a result of which, they are the joint fourth longest serving Directors), in the event that both are intending to seek re-appointment to the Board, one will be required to retire, and this will be subject to agreement between the relevant Directors.

In relation to the retirements, we are engaging with all Directors in scope for retirement by rotation to confirm their intentions with regards to seeking reappointment to the Board and an update will be provided at the meeting.

In the event that any Directors wish to seek re-appointment to the Board, the LEP Board have a number of options as follows:

1. Issue a resolution to the Membership with the notice of the AGM to recommend the re-appointment of a Director(s) at the meeting, to be decided via a vote at the meeting of the relevant class(es) of Membership, or;
2. Agree a process to commence following the AGM to enable the Membership to elect a candidate(s) to the Board to fill the vacancy(ices) arising as a result of the retirement(s).

In relation to Business Directors, it is strongly recommended that option 1 is considered as, due to the size of the Business Membership, any process to take place following the AGM would require a formal election process and is likely to result in the Board carrying a B Director vacancy for an extended period ahead of the reappointment.

In the case of the Executive Director, their appointment to the Board is by vote of the Solent LEP Board of Directors (as opposed to any specific membership class) and, on this basis and in line with previous E Director retirements, the Board can consider a resolution at the February 2021 Board meeting to re-appoint the Executive Director, to take effect following their retirement at the AGM.

In relation to P Directors in scope for retirement, one Board Director will have served on the Board for 10 years by the date of the AGM. In relation to length of service, the Solent LEP does not have any prescribed maximum tenure for Board Directors. However, the Board should note that the UK Corporate Governance Code does advise that "consideration should be given to the length of service of the board as a whole and membership regularly refreshed." The Code does not provide a recommended maximum length of service, however, it does advise that "circumstances which are likely to impair, or could appear to impair, a non-executive director's independence include, but are not limited to, whether a director... has served on the board for more than nine years from the date of their first appointment." The Solent LEP has previously had two non-executive business directors reach nine years of service and both retired from the

Board at this time to ensure that the LEP continued to demonstrate best practice from a corporate governance perspective.

The board should note that Sean Woodward is not an independent non-executive director and, as a result, there is no change to his status as a Director as a result of reaching nine years of service. Notwithstanding this, the Board have previously expressed a commitment to demonstrating exceptional governance and on this basis should demonstrate that consideration has been given to length of service of the board as a whole and membership regularly refreshed.

In this regard, it should be noted that, since the incorporation of the Company in 2011, the LEP has appointed a minimum of two new Board Members every year and, on this basis, there is strong evidence to demonstrate that the board membership as a whole is regularly refreshed. In addition, the average length of tenure for Board Members at the time of the 2021 AGM will be only 3.4 years and this is well below the 9-year timeframe stated in the Corporate Governance Code in relation to independence. On this basis, there is no evidence to suggest that the Board need to consider formalising a maximum length of tenure for Directors over and above the existing requirements relating to retirement by rotation. Therefore, in relation to P Directors, it is also strongly recommended that option 1 is considered.

Board membership will be kept under review as part on the ongoing commitment to continuous improvement and further advice will be provided to the Board on the position in relation to length of service of the board as a whole.

The board are asked to:

- **Note** the update in relation to Board retirements; and
- **Note** the update in relation to length of service; and
- **Agree** to support the proposal to bring forward a resolution to the Membership with the notice of the AGM to recommend the re- appointment of a Director(s) at the meeting, to be decided via a vote at the meeting in each of the relevant class(es) of Membership; and
- **Delegate** authority to the Executive and Company Secretary to finalise the resolution in consultation with the Chair of the Board.

7. Equality impact assessment

An EIA is not needed at this stage and any subsequent recruitment will take into account such a requirement.

8. Legal implications

Any appointment of Directors and Deputy Chair is to be in line with the Solent LEP's Articles of Association. The Solent LEP commission third party advisers - Paris Smith to advise on such constitutional matters including all elements appointment and appointment process. Directors have a personal duty to act within the remit of the Companies Act and due diligence duties when acting in such capacity and such (s) and responsibilities are to be borne in mind when implementing any such recommendation.

Paris Smith advice provided as follows:

In relation to the legal boundaries around promoting diversity, encouraging and welcoming applications from candidates from diverse backgrounds is fine, as is targeting applications towards such groups, but suggesting that applications from candidates with a particular race or sex will be preferred or favoured over others would be discriminatory. The paper does not suggest any activity that would be

discriminatory, but it is important to keep this distinction in mind when drafting the narrative of the application pack.

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

There are no specific financial implications arising from this report.

Annexe A – Draft LEP Assurance Framework 2021
A confidential report will be considered at the meeting

Annexe B – Executive Scheme of Delegation
A confidential report will be considered at the meeting

Annexe C – Non Executive scheme of delegation
A confidential report will be considered at the meeting

11.12.2020

Item 7

General Updates from Board Leads

Board meeting – Item 7

General update

11 December 2020



General update for information

- Solent Business Support Task Force work and COVID-19 response
- Update from Maritime UK Solent to include Maritime UK Solent Recovery plan
- Skills Advisory Panel (SAP) update and briefing on IOT submission
- Solent Growth Forum update from meeting on 17 November 2020
- Solent Leaders forum update from meeting on 27 November 2020
- Southern LEPs and Catalyst South



Solent Business support taskforce and COVID-19 response

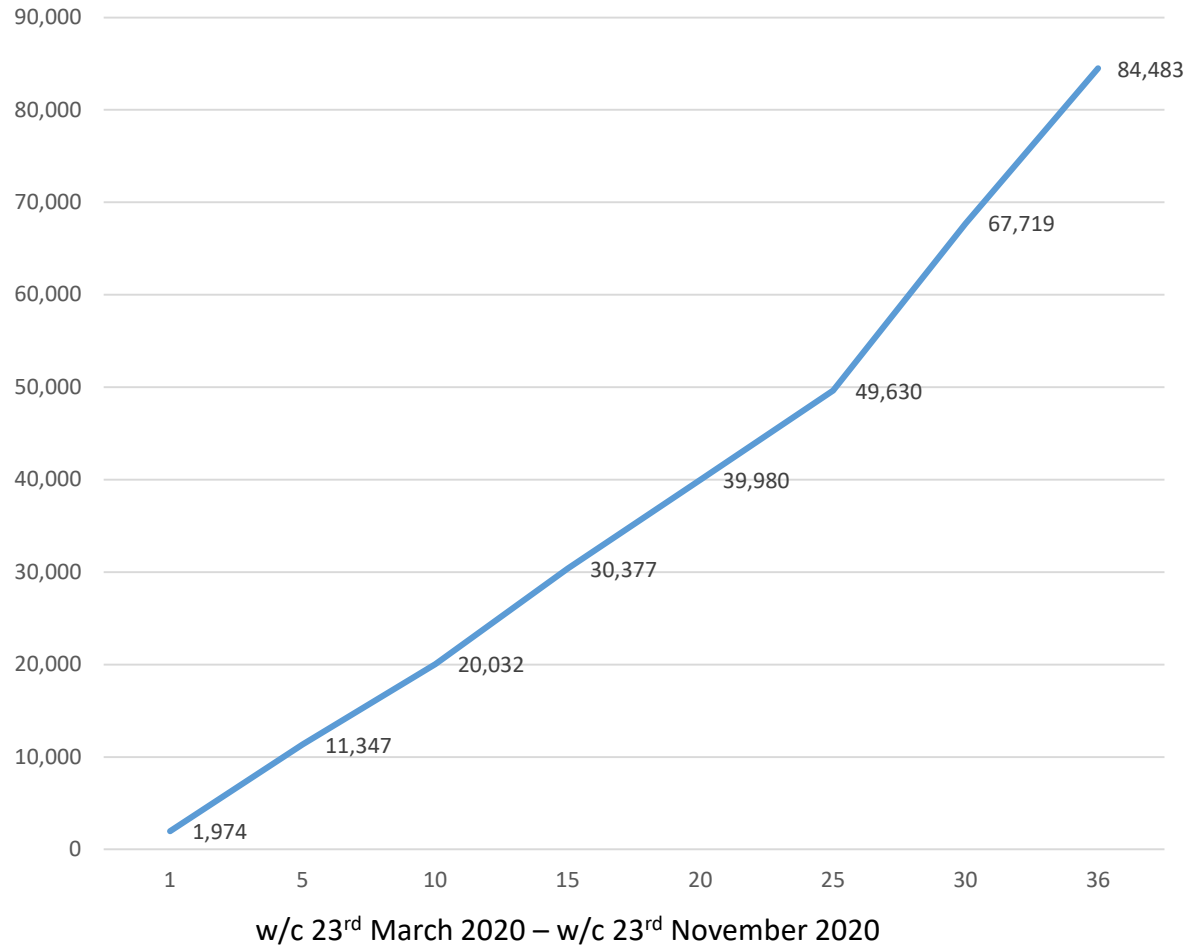
Board Lead SJ Hunt Chair of Solent Business Support taskforce

Covid-19 – Restart, Restore & Recovery and Preparation for UK Transition

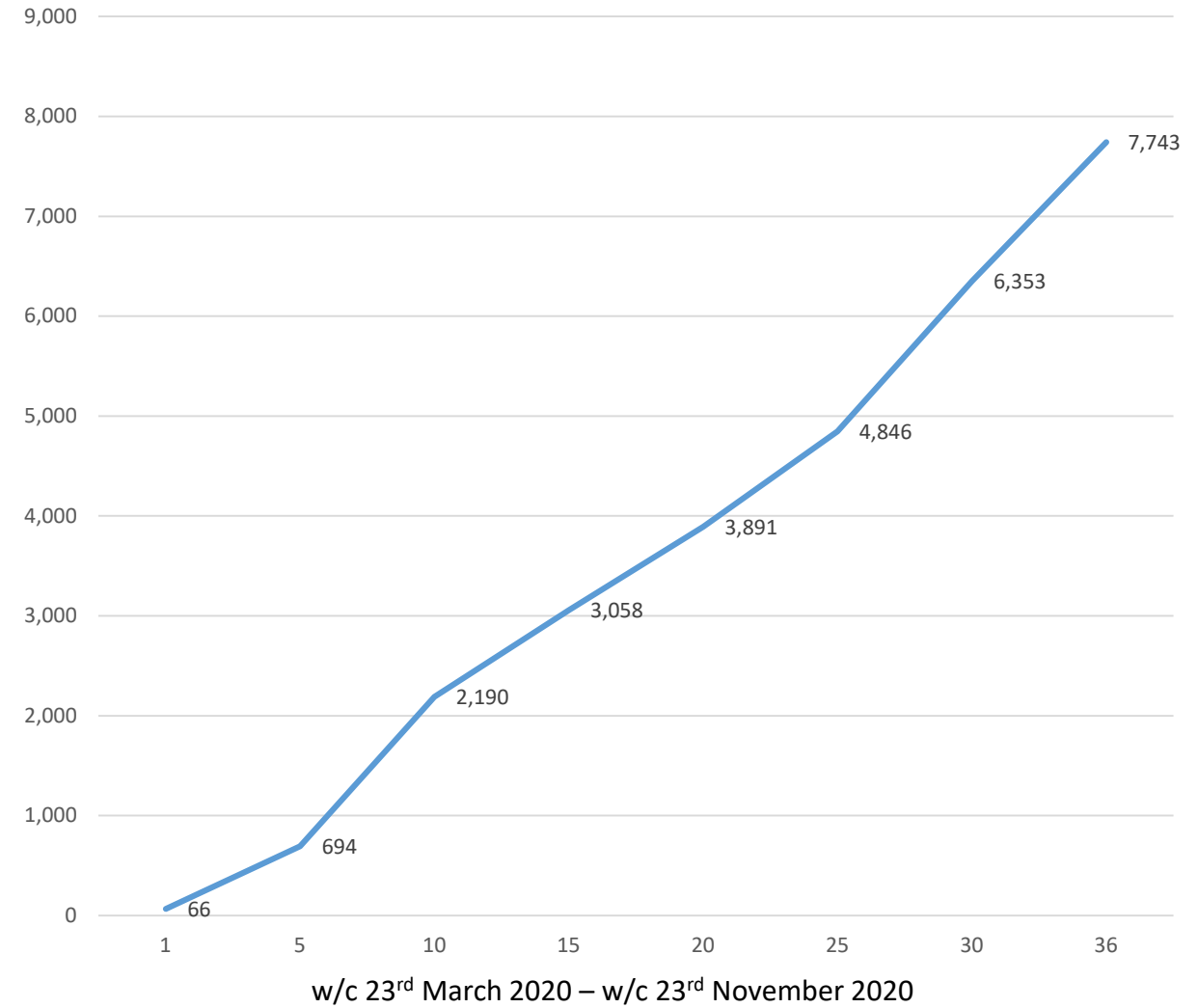
Phase/Activity	Response	Restart & Restore – improving resilience	Recovery and long-term growth
Business Support - Corona Virus hub and support hub for UK Transition	✓	✓	✓
Business Support - HMG calls	✓	✓	✓
Business Support - BDO Coaching	✓	✓	✓
Business Support - Be the Business Rapid Response Mentoring	✓	✓	✓
Business Support – Solent Business support taskforce	✓	✓	✓
Business Support - Crowd funder	✓	✓	
Business Support - Rural resilience fund	✓	✓	
Business Support – Visitor economy and wider economy fund	✓	✓	✓
General – Restart Restore and Recovery fund		✓	✓
Strategy - Solent 2050 and Economic Recovery plan	✓	✓	✓
Funding – LGF 2020/21, Getting Building Fund Fund and Spending Review		✓	✓
Skills – Skills Advisory Panel – Skills Action Plan, Institute of Technology bid, Kickstart		✓	✓
Maritime UK Solent – Recovery plan	✓	✓	✓



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)



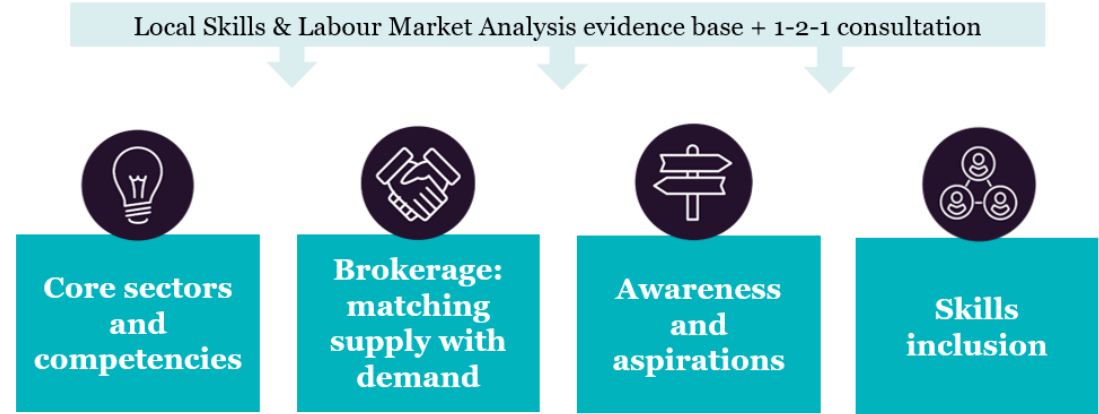
- **Round 1 Update**
 - 39 Grant Awards totalling £96,823
 - 16 in the Visitor Economy totalling £42,937
 - 23 in the Wider Economy totalling £53,886
- **Round 2 Update**
 - 156 Applications under review

Skills Advisory Panel update

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



- **Skills Action Plan** - SAP met on 25th November for a workshop on the Skills Action Plan and agreed the following skills priorities:



- A draft Skills Action Plan will be considered by the SAP on 17th December for recommendation to the Board at its meeting on 26th February 2021
- **MUK Solent Future Skills Award** - Award recognised those that have made a tangible contribution to meeting the future skills needs of the sector. The LEP was able to evidence pioneering activity across education, training or apprenticeship development, to help match available skills to the emerging and future requirements of the industry.
- **Institute of Technology** – Bid being led by Solent University. Focused on Maritime, Advanced Manufacturing, Technology. Bid deadline is 14th December. Core employers - IBM, BAE.

Solent Growth Forum update



Meeting held on 17 November 2020

For meeting papers see –

<https://solentlep.org.uk/solent-growth-forum/solent-growth-forum-meetings/>

For notes of meeting see –

<https://solentlep.org.uk/media/3426/sgf-final-meeting-note-17112020.pdf>

Maritime UK Solent - update

Board Lead and Chair of Maritime UK Solent Kevin George

- **Maritime UK Solent Economic Recovery Plan** considered by the Shadow Board on 17th November
- **Priorities:**



Economic Growth



Innovation



Decarbonisation



Skills

- Maritime UK Solent Shadow Board to consider and agree an updated ERP in New Year
- **Maritime UK Economic Impact Modelling – CEBR**
 - LEP to leverage off the Maritime UK commission on the economic impact of the Maritime sector in the UK, with a specific study on the economic impact of the Solent Maritime Sector.
 - This will likely need to include assumptions about impact of COVID-19 due to the lag in data availability
 - Likely to be available for September 2021
- **Freeports**
 - Bidding prospectus published on 16th November 2020
 - Bid deadline of 5th February 2021
 - Freeport Task & Finish Group meeting on 4th December 2020
 - Detail to be covered in the Strategy Session to follow
- **Winner of Maritime UK Solent Future Skills Award** – A national award that recognises those that have made a tangible contribution to meeting the future skills needs of the sector. The LEP was able to evidence pioneering activity across education, training or apprenticeship development, to help match available skills to the emerging and future requirements of the industry.

Solent Leaders Forum and Southern LEPs Catalyst South group

Verbal update from Brian Johnson and Anne-Marie Mountifield

11.12.2020

Item 8

Forward Plan

Item: 8
 Title: Any other business – LEP Board forward plan
 Date: 11 December 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 restrictions linked to the three tiered system of Covid Alert Levels in England continue and the ongoing impact of the pandemic begins to be quantified. The LEP executive and board continues to work remotely using video conferencing. 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/>

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

26 February 2021 (9.00 am to 12.00 pm) venue to be advised

- Southampton 2025 UK City of Culture bid
- Update on the Solent Enterprise Zone
- Consideration of final draft of the Solent Skills Strategy and Action Plan for publication
- Governance update to include;
 - Agreement of LEP Assurance framework for 2021/22
 - Consideration and approval of Solent LEP Delivery plan for 2021/22
 - Review of Register of Interest forms for Board Directors
 - AGM 2021
- Finance and funding report to include 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

21 May 2021 (9.00 am to 12.00 pm) venue to be advised

- Consideration of initial work on draft Investment Plan for the New Forest
- Solent Economic Recovery Plan review and Solent 2050
- Finance and funding report to include mid-year review of;
 - Local Growth Update for 2020/21 programme closure
 - Getting building Fund Update for 2021/22
 - In-year budget position for 2020/21 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 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. Finance Comments for the s151 Officer of the Accountable Body

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.

Solent Local Enterprise Partnership Board Strategy session
to be held via video conference on Friday 11 December 2020
12:15 to 15:00

Item	Title	Time
	Welcome and Introduction - Brian Johnson	12:15 -12:20
	<u>Session One – Solent Economic Recovery Plan Review and Solent 2050</u>	
	To include: <ul style="list-style-type: none"> • Presentation from Litchfields • General discussion 	12:20 – 13:15
	<u>Session Two – Promoting regeneration and job creation</u>	
	To include: <ul style="list-style-type: none"> • Post-COVID 19 economic recovery and the freeport programme • Driving a Green recovery and laying the foundations for sustainable growth • General discussion 	13:30 – 14:45
	Plenary and final reflections –Brian Johnson and Anne-Marie Mountifield	14:45 – 15:00