

**Solent Local Enterprise Partnership
Meeting of the Board on Friday 31 March 2023
09:00 to 12:30**

Item	Title	Time
1.	Welcome, Introductions and Apologies for absence	09:00 – 09:10
2.	Presentation from Arts Council England (ACE) and the development of cultural compacts - Phil Gibby SW Area Director for ACE	09:15 – 09:45
3.	Local Visitor Economy Partnerships (LVEPs)	09:45 – 10:15
4.	HM Government update	10:15 – 10:25
5.	Notes of meetings held on 2 December 2022, 30 January 2023 and 24 March 2023	10:25– 10:40
	Matters Arising and declarations of interest	
	LEP Matters requiring board decision	
6.	Finance and funding report to include; <ul style="list-style-type: none"> • Local Growth Programmes for 2022/23 • Final year forecast outturn position for 2022/23, • Agreement of 2023/24 budget and financial forecasts to 2024/25 • Enterprise Zone commission • Update on prosperity loan fund and priority sectors loan fund • Review of Risk registers 	10:40 – 11:10
7.	Corporate Plan 2023 – 2026	11:10 – 11:55
8.	Governance update to include: <ul style="list-style-type: none"> - 8 a. Solent LEP - 8 b. Maritime UK Solent - 8 c. Solent Partners and Solent Clusters 	11:55 – 12:20
	LEP Matters for note	
9.	General updates to include: <ul style="list-style-type: none"> a. Report from business support task force b. Update from Solent Growth Hub c. Digital Skills Partnership 	12:20 – 12:25
10.	Any other business <ul style="list-style-type: none"> • Forward Plan 	12:25 – 12:30

31.3.2023

Item 5

**Notes of meetings held on 2 December 2022, 30
January 2023 and 24 March 2023**



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

Held on Friday 2 December October 2022 at 09:00 - 12:00 at Eaton Suite, Leonardo Royal Hotel Southampton Grand Harbour

Present	In Attendance
Anne-Marie Mountifield	Jack Elias (DLUCH)
Rachael Randall (Chair)	James Fitzgerald (Portsmouth City Council, as the Accountable Body)
Alex Rennie	Nicola Twiddy (LEP Executive)
Brooke Hoskins	Richard Jones (LEP Executive)
David Youngs	Stuart Baker (LEP Executive)
Julie Jones Evans	
Nick Loader	
Paula Swain	
Salli Shapcott	
Satvir Kaur	
Steve Pitt	
Apologies	Guests
Edward Heron	Item 6 - Lewis Atter, Kirsten Saguil & Teagan Hallgath - KPMG
Graham Barnetson	
Graham Galbraith	
Jo Sawford	

Item	ACTION
<p>1. Welcome and Introduction The Chair welcomed all to the meeting and introductions took place.</p> <p>Apologies for Absence Apologies were noted from Edward Heron, Graham Barnetson, Graham Galbraith and Jo Sawford.</p>	

2.	<p>Maritime UK Solent Update</p> <p>The Managing Director and Chair gave an overview of the work of MUK Solent to date and presented the mid-year review to the Board covering the corporate activities, governance and resourcing and the programme of work going forward.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Noted the Maritime UK Solent mid-year review. • Agreed the updated dates for reporting activities in the capacity funding letter. 	
3.	<p>HM Government Update</p> <p>Jack Eilas provided the HM Government update as follows -</p> <ul style="list-style-type: none"> • The new Ministers and DLUCH Deputy Director in post • DLUCH Levelling up announcements expected by the end of December (£1.7bn in Autumn statement) • UKSPF announcement expected shortly (post meeting note - an announcement was made earlier this week on Monday that all investment plans were approved, letter notification will follow). • Devolution and County Deals advice is with the DLUHC Secretary of State and a decision is awaited on next steps. • Investment Zones - a large number of applications were received by Government, including a wealth of information. The Government will now use this programme to catalyse a limited number of the highest potential knowledge-intensive growth clusters, including through leveraging local research strengths. Further information is expected in 2023, along with the first cluster expected to be announced in spring 2023. • Rural England Prosperity Fund - DEFRA are handling the applications 	
4.	<p>Notes of meeting held on 7 October 2022.</p> <p>The minutes from the Board meeting on 7 October 2022 were Agreed.</p> <p>The following matters arising were raised:</p> <p>Page 2 - Investment Zone update as covered in item 3</p> <p>Page 4 - Updates on the variations for Stubbington Bypass, IoW Floating Bridge 6 and Branstone Farm were provided.</p> <p>Page 6 - The Solent Custer was launched at the beginning of November 2022. An update on the event and partners was provided and the next step will be to bring together a delivery plan.</p> <p>All other matters will be covered as part of the meeting.</p> <p>Declarations of interest</p> <p>The following interests were noted ahead of the meeting:</p> <p><u>Anne-Marie Mountifield</u> Item 2 - Maritime UK Solent Ltd Director General - Non-Executive Board Director for VIVID</p> <p><u>Steve Pitt</u></p>	

	<p>Item 5 - PCC scheme lead for Portsmouth International Port</p> <p><u>Stuart Baker</u> Item 2 - Maritime UK Solent Ltd Director</p> <p><u>James Fitzgerald</u> Item 5 - PCC scheme lead for Portsmouth International Port</p> <p><u>General Noting</u> Item 6 Appendix F (Risk Register) - Board Members are asked to delegate the agreement of the LGD risk register to the LEP Chief Executive and S151 officer. On this basis, all interests in relation to risk register are potential and for noting only. Board Members only required to withdraw from meeting if Board wish to discuss a specific project.</p>	
<p>5.</p>	<p>Finance, Funding and Performance Management report The Finance paper was taken as read and James Fitzgerald provided an overview on the reprofiling and close down of the tail funding on the Local Growth Deal and Getting Building Funds.</p> <p><u>Restart, Restore Recover Loan Funds</u> An update on a meeting with one of the beneficiaries was provided, along with recent information received. Following a discussion, the Board agreed the next steps.</p> <p>Due to timings, this item was paused, and the Board moved to Item 6.</p>	<p>Executive & AB</p>
<p>6.</p>	<p>KPMG funding update Lewis Atter, Kirsten Saguil & Teagan Hallgath from KPMG joined the meeting and gave a presentation on the Solent Enterprise Zone commission.</p> <p><u>Equity Investment opportunity & risk</u> A presentation was provided on equity investment opportunity & risk.</p> <p>Following a discussion, the Board noted the updated.</p> <p>The Chair passed on the Boards thanks to KPMG for attending the meeting.</p> <p>Brooke Hoskins left the meeting 11:55</p>	
<p>5. cont.</p>	<p>Finance, Funding and Performance Management report <u>Restart, Restore Recover Loan Funds</u> An update was provided and following a discussion the Board:</p> <ul style="list-style-type: none"> • Noted the update on the RRR Loan Fund in paragraph 3.3.1 and Considered and Approved the recommendations in Appendix G. <p>The Board:</p> <ul style="list-style-type: none"> • Approved the revised budget for 2022/23 of £17,262,959 as set out in Appendix A and the revised budget for the period 2023/24 to 2024/25 which includes the following: 	

	<ul style="list-style-type: none"> • The current position of the LEP Loan Funds available as summarised in appendix D. • The latest position of the Local Growth Deal and Getting Building Funds as set out in appendices E1 and E2 respectively. • The re-profiling and budget movements as set out in the table in paragraph 3. <p>The Board also:</p> <ul style="list-style-type: none"> • Noted and Agreed the Corporate and Strategic Risk Register at appendix C. • Noted the update in relation to the LGD and GBF tail funding as set out in paragraph 3.2 and Considered the specific project updates in paragraph 3.3 of the report. • Noted the latest positions of the LGD and GBF at appendices E1 and E2. • Considered the high-level Risk Matrix for the Local Growth Programme at appendix F and delegated its Approval to the LEP Chief Executive and the Accountable Body's section 151 officer. • Noted the update on the GBF Project Change Request in paragraph 3.3.2 • Noted the update on the outturn of the Solent Prosperity Fund • Noted the CEC funding updates in paragraph 5 of the report. • Noted the Digital Skills project update in paragraph 6. <p>An update was provided on the Portsmouth International Port Border Control project.</p> <p><u>Loan Fund Update</u> Stuart Baker provided an update on the applications from the latest loan fund round and options for next steps. Following a discussion, the Board:</p> <ul style="list-style-type: none"> • Agreed to delegate authority to the Executive to update the Solent Prosperity Loan Fund product, alongside looking at Pay IT Forward, Princes Trust and start-up options with a view to relaunching in Spring 2023. <p>Brooke Hoskins joined the meeting (12:35)</p>	
7.	<p>Governance Update The paper was taken as read.</p> <p><u>Preparation for 2023 AGM and draft AGM agenda</u> An update was provided and The Board:</p> <ul style="list-style-type: none"> • Agreed the agenda for the AGM, and; • Delegated authority to the LEP Chief Executive in consultation with the LEP Chair and Company Secretary to finalise the arrangements for the meeting and issue the meeting notice to members. <p><u>Local Assurance Framework Review for 2023/24</u> An update was provided and The Board:</p> <ul style="list-style-type: none"> • Agreed the Solent LEP Assurance Framework for adoption and publication, and • Agreed the updated executive scheme of delegation, board and panel delegation, equality, diversity and inclusion policy, and BSIP and SAP terms of reference for adoption and publication. <p><u>Solent Cluster</u></p>	<p>Executive</p> <p>Executive</p> <p>Executive</p> <p>Executive</p>

	<ul style="list-style-type: none"> • Noted the update in relation to the Solent Cluster. 	
8.	<p>General updates from Board Leads – for note</p> <p>The update was taken as read and noted by the Board.</p>	
9.	<p>Any other business</p> <p><u>Forward Plan</u></p> <p>The Board:</p> <ul style="list-style-type: none"> • Considered and Agreed the forward plan. <p>The next meeting is scheduled for 31 March 2023.</p> <p>No further business, so the meeting was closed.</p>	

Meeting closed at 12:40

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**SOLENT
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Solent Local Enterprise Partnership Strategy Session for the Board of Directors

Held on Monday 30 January 2023 at 16:00 - 17:30 via Microsoft TEAMS

Present	In Attendance
Anne-Marie Mountifield	Crispin Dick (Company Secretary)
Rachael Randall (Chair)	James Fitzgerald (Portsmouth City Council, as the Accountable Body)
Brooke Hoskins	Lloyd Clark (Portsmouth City Council, as the Accountable Body)
David Youngs	Nicola Twiddy (LEP Executive)
Edward Heron	Richard Jones (LEP Executive)
Julie Jones Evans	Stuart Baker (LEP Executive)
Nick Loader	
Paula Swain	
Salli Shapcott	
Satvir Kaur	
Steve Pitt	
Apologies	Guests
Alex Rennie	Miriam Sachak - BEIS
Graham Barnetson	Jack Elias - BEIS
Graham Galbraith	
Jo Sawford	

Item	ACTION
<p>1& 2. Welcome and Introduction Nick Loader was invited to Chair the session until Rachael Randall was able to join. All were welcome to the strategy session and Miriam Sachak was introduced to the Board.</p> <p>Apologies for Absence Apologies were noted from Alex Rennie, Graham Barnetson, Graham Galbraith and Jo Sawford.</p> <p>Anne-Marie Mountifield gave a short presentation providing an overview of:</p> <ul style="list-style-type: none"> - Current policy position on LEP integration and pathway 2 for the Solent LEP 	

	<ul style="list-style-type: none"> - Devolution across the country as of January 2023 - High level overview of the proposed corporate plan through to 2026 <p>Rachael Randall joined the meeting at 16:17 and Chaired the Strategy Session.</p> <p>A financial overview for the period through to 2026 was provided by James Fitzgerald.</p> <p>Miriam Sachak left the meeting at 16:30.</p> <p>Next steps and timelines were provided.</p> <p>Following questions and discussions, The Board:</p> <ul style="list-style-type: none"> • Agreed the considerations and next steps for further review at FFPMG and SERCOM; and • Agreed that the detailed corporate plan and supporting work programme on the branding and website would be considered at the next Board meeting in March 2023. <p>Edward Heron left the meeting at 17:06, Miriam Sachak re-joined the meeting at 17:09 and Richard Jones declared an interest in item 3 as the Solent Freeport SRO for their SEED capital programme and withdrew from the meeting at 17:12.</p> <p>The Board noted that Paula Swain is the LEP appointed Director on Solent Freeport Consortium Limited.</p>	
3.	<p>Update on Maritime Innovation Hub</p> <p>The paper was taken as read and an update on the funding and delivery position of the Maritime Innovation Hub was provided. Stuart Baker provided a presentation covering the Maritime Innovation Ecosystem in the Solent, venue key search criteria and next steps.</p> <p>Miriam Sachak shared an extract from the Levelling Up Secretary's speech to the Convention of the North and the full speech can be found here -</p> <p>https://www.gov.uk/government/speeches/levelling-up-secretarys-speech-to-the-convention-of-the-north</p> <p>Brooke Hoskins left the meeting (17:30)</p> <p>Following a discussion and questions, The Board:</p> <ul style="list-style-type: none"> • Noted the <u>update on the</u> Solent Maritime Innovation Hub. • Noted that Solent Freeport Seed Capital funding has been secured, subject to consultation and an executed funding agreement. • Agreed to remove the underwrite of £850,000 from the recycled Growing Places Loan Fund for the Solent Maritime Innovation Hub. • Agreed that, subject to the satisfactory conclusion of the due diligence, and agreement of the lease on terms that protect the continued operation of the Hub, the leasehold of the preferred accommodation is secured. <p>There was no further businesses so the strategy session was closed.</p>	

Strategy Session closed at 17:34

31.3.2023

Item 6

Finance and Funding Report

Item Number: 6
Item Title: Solent LEP Finance and Funding Report
Meeting Date: 31 March 2023
Purpose: For Information, Advice and Decision

1. Introduction

- 1.1 This report provides the Solent LEP Board with the financial position of all the LEP funds to 28 February 2023 and the forecast budgets for the period 2022/23 to 2024/25.
- 1.1 The opening budgets are as approved at the LEP Board meeting on 2 December 2022 and the report sets out the expenditure to date and projected outturn which includes the latest positions of the two major funding programmes, the Local Growth Deal and the Getting Building Fund. The budgets and performance of projects were considered in detail by FFPMG at their meetings in February and March 2023. A copy of the meeting notes can be viewed through the following links: <https://solentlep.org.uk/media/4599/ffpmg-draft-meeting-note-06022023-public.pdf> and <https://solentlep.org.uk/media/4658/ffpmg-draft-meeting-note-14032023-public.pdf>
- 1.2 The report explains any major variances and or reprofiling as well as the key risks for the FFPMG to consider and recommends action where appropriate to ensure that all the LEP's funds are managed proactively and also to mitigate the potential to have to return any funding to Government.
- 1.3 Initial reflections on the recent announcement in the Spring budget regarding the future of LEPs are set out in the report under item 7 of the meeting.

2. Recommendations

- 2.1 Further to consideration at FFPMG it is recommended that the Board:
- (i) **Agree** the revised budget for 2022/23 and forecast outturn of £7,343,895 as set out in Appendix A and the revised budgets for the period 2023/24 to 2024/25 as set out in appendix B are **Approved** which include the following:
- The current position of the LEP Loan Funds available as summarised in appendix D.
 - The latest position of the Local Growth Deal and Getting Building Funds as set out in appendices E1 and E2 respectively.
 - The re-profiling and budget movements as set out in the table in paragraph 3 below.
- **Note** and **Agree** the Corporate and Strategic Risk Register attached at appendix C.
 - **Note** the update in relation to the LGD and GBF tail funding as set out in paragraph 3.2 and **Consider** the specific project updates in paragraphs 3.3 of this report.
 - **Note** the latest positions of the LGD and GBF as attached at appendices E1 and E2.
 - **Consider** the high-level Risk Matrix for the Local Growth Programme attached at appendix F and delegate its **Approval** to the LEP Chief Executive and the Accountable Body's section 151 officer.
 - **Note** the update on the RRR Loan Fund attached at Appendix G and **Agree** the recommendations contained within it.
 - **Note** the range of project variation requests as attached at Appendix J and **Agree** the recommendations included within it.
 - **Note** the Equity opportunity update attached at Appendix I and the supporting information in the reference folder and **Agree** the recommendations included within it.

The LEP Board are also asked to:

- **Note** the Loan Fund update in paragraph 4.
- **Note** the CEC funding updates in paragraph 7 of this report.
- **Note** the update provided in respect of the Enterprise Zone retained rates MoU in Appendix H.
- **Note** the range of new funding that has been added to the financial forecasts as set out in paragraph 9

3. **Key Budget Movements and Associated Issues - 2022/23 to 2024/25**

The additional resources / budget re-profiling since the last meeting of the LEP Board on 2 December 2022 is set out in table 1 below.

	Previous Years to 2021/22 £000's	Forecast 2022/23 £000's	Forecast 2023/24 £000's	Forecast 2024/25 £000's	Total £000's
Budget Agreed at LEP Board on 2 December 2022	234,080	17,263	17,653	5,940	274,936
SME Support Solent Prosperity Fund - remaining tail reprofiled		(346)	346		0
GPL Earmarked to support Freeport Projects - loan funding reprofiled to 2023/24		(2,500)	2,500		0
GPL SME Loans - loan funding reprofiled to 2023/24		(250)	250		0
Solent Build Back Greener Loan Fund - loan funding reprofiled to 2023/24		(2,500)	2,500		0
Maritime Innovation Hub - Project expenditure reprofiled across 2022/23 and 2023/24		(795)	795		0
Maritime Innovation Hub - Solent Freeport funding		0	400		400
Building Foundations for Growth Capital Grant for EZ - Reprofiled to 2023/24		(418)	418		0
CEC - Funding reprofiled to 2023/24 following review for academic year 2022/23		(115)	115		0
CEC - Teachers Encounter Fund		0	20		20
Digital Skills Partnership - reprofiled to 2023/24		(69)	69		0
Solent 2050 - budget reprofiled to 2023/24		(50)	50		0
North Whiteley		(2,256)	2,256		0
A326		(32)	32		0
Brading Loop		(105)	105		0
Fareham College loan no longer required		(420)			(420)
Solent Prosperity Fund (previous Fareham College allocation)			420		420
Miscellaneous		5	(5)		0
Operational costs reprofiling		(68)	68		0
Core Funding 2023/24			250		250
Growth Hub funding - Fareham BC			15		15
Growth Hub funding - Havant BC			30		30
Solent Cluster Post - ExxonMobil			30		30
Revised Budget	234,080	7,343	28,317	5,940	275,681
Cumulative Net GPL Fund Reserve Balance (see appendix D for details)		15,110	3,559	0	

3.1 **Current Financial Year**

The revised budget of £7,343,895 for the 2022/23 financial year reflects the latest status of the tails of the two major funding programmes as well as forecasts for other key areas of LEP delivery such as business support, skills and

updated reprofiling in respect of some of the loan funding to align with the outcome of the funds launched in 2022 and revised repayment profiles agreed with beneficiaries as appropriate.

3.2 **Local Growth Deal and Getting Building Fund tails**

As the Board will be aware the Accountable Body used the Freedoms and Flexibilities available to it under the National Assurance Framework to allow tails of the Local Growth Deal (LGD) and Getting Building Funding (GBF) to continue past 31 March 2021 and 2022 respectively.

There remains a small tail on the LGD and GBF programmes now forecast into the 2023/24 and 2024/25 financial years of approximately £11m (6%) which consists mainly of the final payments for the large multi-year transport schemes which are in the final stages of delivery and the LGD loan funding for which there is an update in section 4 of this report.

It is important that the project leads continue to be challenged to ensure this residual funding is fully incurred as soon as possible however as is reported regularly to then Board and FPPMG there are several scheme specific issues that are being managed proactively to try to expediate delivery.

A detailed breakdown of the financial status of the entire LGD and GBF programmes are attached at appendices E1 and E2. The LEP Executive and the Accountable Body continue to work closely with the remaining projects to manage any possible challenges and ensure that they can be finalised so that the remaining funding can be defrayed as soon as possible.

All the live projects in the LGD and GBF are included in the high-level delivery risk matrix at appendix F which includes the latest project updates, proposed mitigations and a RAG rating with a direction of travel for Board members to consider and enable all members to track the progress of the remaining projects.

Where there are specific issues to be raised these have been set out in paragraph 3.3 below.

3.3 **Specific Project Updates by Exception**

There are a number of projects across a range of funding programmes where the Board need to consider updates and, in some cases, to agree recommended actions from the LEP Executive and the Accountable Body. These are summarised below.

3.3.1 **Local Growth Deal Capital Programme**

ABP - Shore Power

A project variation request to be considered is attached at Appendix J.

Restart, Restore and Recovery Loan Fund

The FPPMG considered a paper setting out the latest status of the two RRR loan projects which has been updated following the meeting and is attached at Appendix G. Board members are asked to consider this paper and Agree the recommendations contained within it.

Fareham College T Level Loan

In October 2021 the Solent LEP Board approved a loan of £420,000 to Fareham College to support the launch of a Centre of Excellence in Environmental Technologies and new construction offer focussed around environmental and sustainable technologies.

As part of the detailed due diligence when to reach an agreed loan agreement a range of issues came to light which delayed the execution of the agreement. All of these issued were resolved however following a review into the classification of the statutory further education (FE) sector (FE colleges, sixth form colleges and designated institutions) and their subsidiaries in England, the Office for National Statistics (ONS) has reclassified colleges and their subsidiaries into the central government sector. As a result of this Fareham College have informed the LEP executive that under this new classification they are no longer able to access the loan from the LEP and although challenging they will have to fund this part of the project costs from within their existing resources.

The result of this is that the £420,000 previously allocated for this project has been moved back into the Solent Prosperity loan fund for future funding calls.

3.3.2 **Getting Building Fund (GBF) Capital Programme**

Project Variations

A range of project variation requests for the Board to consider are attached at Appendix J

Maritime Innovation Hub

Board members will know that the LEP has secured £400,000 of seed capital funding from the Solent Freeport for this project, alongside £850,000 Getting Building Funding, and work is ongoing to identify the site for the Maritime Innovation Hub and the associated financial viability. A preferred location has been identified and negotiations with the landlord are progressing. A verbal update will be provided at the meeting.

4. **Loan Funds Update**

As previously agreed by the Board, the LEP Executive and Accountable Body have been reviewing the impact and challenges from previous loan application rounds and were due to present this to the FFPMG on 14th March. The presentation was circulated to members of FFPMG after the meeting in order for them to consider and provide advice on the development of a new loan fund. A copy of this presentation can be found in the reference folder.

There is a significant amount of funding available in recycled growing places loan funding as well as LGD funding after the use of the Freedoms and Flexibilities open to the Accountable Body and further to the Spring statement and board consideration of the corporate plan under item 7 of the meeting an update on next steps will come forward to the May board meeting.

5. **Equity Update**

Further to board consideration of equity funding in July 2022 and the discussion at the board strategy meeting in December 2022, members of the FFPMG received an update on a proposal at its February meeting and a report on this is attached at Appendix I.

6. **Annual Performance Review**

The Solent LEP Annual Performance Review took place in February 2023 and a further update will be provided to Board Members following the APR meeting itself.

7. **Careers Enterprise Company (CEC) Funding**

7.1 Teachers Encounters Fund

The LEP submitted a proposal to the CEC in response to an open funding call for the Teachers Encounters Fund and was awarded £20,000 to deliver a minimum of 20 teacher industry placements to enable and help teachers to embed industry needs into curriculum and grow schools' relationships with businesses. The LEP envisage this activity starting in Feb 2023 and finishing by the defrayal deadline in August 2023.

7.2 Reprofiting

The CEC funding is provided on an academic year cycle and with this in mind a review of the activity across the 2022/23 and 2023/24 financial years has been undertaken and based on this £115,000 has been re-profiled into 2023/24 to be spent by 31 August 2023.

CEC has commenced engagement with the LEP in relation to the structure of the 2023/24 academic year grant funding agreement. A draft agreement is expected in April 2023.

8. **Enterprise Zone update**

KPMG have been commissioned to provide an update on this work and the progress to date is attached in Appendix H.

This work is ongoing and a more detailed update will be prepared for FFPMG to consider in April who will then provide further advice to the Board in May.

9. **New / Returned Funding**

Since the last board meeting the LEP has received additional funding from a range of sources as follow:

SME Support

Both Fareham Borough Council (£15,000) and Havant Borough Council (£30,000) have commissioned the LEP to undertake support for early stage businesses in Fareham and established SME's in Havant, to access finance. The LEP envisage this activity starting in Spring 2023 and will run across 12 months.

Solent Cluster

Industry have provided a 50% contribution to the Solent Cluster Manager post (initially for one year) which the LEP have matched and this will provide capacity to support the cluster work going forward.

Core Funding

The LEP were advised on 14 February 2023 that DLUHC have confirmed £250,000 core funding for the 2023/24 financial year subject to the usual application process.

Whilst this is very much welcomed it is a reduction on the previous year (£375,000) however the Accountable Body have always been prudent in not adding funding to the overall budget until it has been confirmed in writing. This funding has therefore been added to the financial forecasts to help support core staffing activity in the 2023/24 financial year.

Solent Growth Hub

The LEP Chief Executive received a letter of comfort on Monday 13th March 2023 from The Director Cities and local Growth unit, noting that the Secretary of State for the Department for Business and Trade has confirmed funding for growth Hubs for 2023/24. £12m core funding has been agreed for the national Growth Hub network. The indicative value for the Solent is £250,000 for 2023/24 however as this has still to be finally confirmed it has not been added to the financial forecasts. Board members are reminded that there was a proactive decision that in the absence of any multi year funding confirmation from Government a £250,000 allocation was made from LEP reserves for each year up to and including 2024/25. If this HMG funding is received then it will allow the Board to decide where to reallocate the funding already identified for 2023/24.

Freeport recharging

As has always been expected the LEP executive and SRO support to enable the Freeport to reach final approval and start the transition to delivery will reduce significantly in 2023/24 and this has already been reflected in the financial forecasts.

The Freeport Chief Executive is due to start in their post early in June 2023 and it is expected that there will be a dialogue with the LEP as to what support the Freeport may require going forward.

SME grant

The Executive and Accountable Body have been liaising with an SME who were successful in receiving grant funding but were ultimately unable to deliver the proposed project in full. As a result of this, £10,000 of the grant has been repaid which will be recycled for redeployment as directed by the Board.

10. **Spring Budget implications**

Board members will be aware that in the Spring Budget on 15 March the Government announced that it intends for the functions of LEPs to be delivered by local government in the future and that they are *'minded to withdraw central government support for LEPs from April 2024'*. DLUHC and the Department for Business and Trade will now consult on these proposals, before confirming a decision. The government will publish an updated policy position to confirm next steps by the summer. A more detailed update on this is provided under item 7 of this meeting.

11. **Operational Costs / Core Funding**

The LEP Executive and the Accountable Body have always been proactive, providing a three-year rolling budget to enable the Board to be able to make strategic decisions which includes providing the required resources to meet the operational requirements of the LEP.

Following work on the new corporate plan and approval at the Board strategy day, an adjustment has been made to the Media and Communications budget to make an allowance for an additional £60,000 for the renewal of the website and associated work which is expected to be paid at the beginning of the 2023/24 financial year. The Contingency / Reserve budgets have been adjusted in order to fund this work and subsequently increase the Media and Communications budget line in Appendix B.

As traditional levels of funding from Government to support staffing have started to reduce, the action to build up reserves to mitigate this has provided the LEP Executive with time to scenario plan the best way to shape the organisation going forward. As part of this work the Executive are working on a new corporate plan alongside a forecasted rolling budget to 2025/26. An update on this work was presented to SERCOM on 20 March 2023 and to the board at the exceptional meeting on 24 March 2023 and a further update is provided under item 7.

12. **Financial Summary**

The current position of the LEP Budget for 2022/23 is set out in appendix A and the future years forecasts are shown in appendix B with the main financial risks highlighted in this report.

Appendices E1 and E2 show the overall position of the two major funding programmes, the Local Growth Deal and Getting Building Fund, including the tail funding for the remaining projects that are completing across the 2022/23 and 2023/24 financial years.

The three-year rolling budget continues to provide a robust financial position for the LEP and as part of this the contingency / reserves budget has been maintained at a strong level in order to provide the Board with the flexibility to react to ongoing developments as the future direction of LEPs continue to evolve.

The Accountable Body are working closely with the LEP Executive to help configure resources going forward in light of the Spring Budget announcement and the ongoing work to resource the proposed new corporate plan.

The risks of both of the significant funding programmes continue to be reported and monitored in the risk register at appendix F where all projects are regularly reviewed, have a direction of travel and are RAG rated accordingly.

The Accountable Body will continue to provide up to date and accurate advice to ensure that all LEP funds are spent with regularity and propriety, that they secure value for money for the public purse and maximise investment opportunities for the area.

13. **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.

14. **Legal implications**

To follow.

15. **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 - BUDGET FORECAST 2022/23

Enterprise (Business Support)	Full Year Budget 2022/23*	Actual Expenditure up to 28 Feb 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 23 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2023/24	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Local Growth Deal Funding:							
SME Support - Solent Prosperity Fund	370,393	23,657	24,000	(346,393)	(346,393)	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	0	(23,511)	0	0	0	0	0
Natural Enterprise - Rural Resilience (COVID19 Response)	0	0	0	0	0	0	0
Other Enterprise Initiatives:							
Solent Growth Hub	268,250	223,703	268,250	0	0	0	0
Peer Networks	0	1,200	0	0	0	0	0
EU Transition	0	0	0	0	0	0	0
Pay It Forward - Micro / Small Business Support (Revenue)	5,000	5,000	5,000	0	0	0	0
ERDF Restart and Recovery, and Kickstarting Tourism Grant Fund	0	0	0	0	0	0	0
Enterprise Total	643,643	230,049	297,250	(346,393)	(346,393)	0	0

Infrastructure (Land & Property)	Full Year Budget 2022/23*	Actual Expenditure up to 28 Feb 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 23 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2023/24	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Growing Places Fund Loans:							
GPL Earmarked to support Freeport projects	2,500,000	0	0	(2,500,000)	(2,500,000)	0	0
GPL - Prosperity Fund Loans	0	0	0	0	0	0	0
GPL - SME Loans	250,000	0	0	(250,000)	(250,000)	0	0
Recycled Growing Places Loan Fund for re-allocation	0	0	0	0	0	0	0
Growing Places Loan Fund: Capital Loans Advanced	2,750,000	0	0	(2,750,000)	(2,750,000)	0	0
GPL Contingency Provisions and Programme Management costs							
Growing Places Loan Fund Programme Management Costs	125,395	93,817	125,395	0	0	0	0
Sub-total: GPL Contingency Provisions and Programme Management costs	125,395	93,817	125,395	0	0	0	0
Solent Growth Deal:							
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	0	0	0	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)	0	0	0	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	2,855,754	0	600,000	(2,255,754)	(2,255,754)	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

APPENDIX A

Solent Accelerated Housing Delivery Project	0	0	0	0	0	0	0
Solent Growth Deal - Programme Management Costs	122,508	121,509	122,508	0	0	0	0
Stubbington Bypass - LGD forward funding	0	0	0	0	0	0	0
A326 Highway Improvements	2,265,648	(1,114,835)	2,233,488	(32,160)	(32,160)	0	0
IOW Island Line - Brading Loop	105,000	(595,000)	0	(105,000)	(105,000)	0	0
University of Portsmouth - Centre for Creative and Immersive XR	0	0	0	0	0	0	0
COVID-19 Loan Fund	0	0	0	0	0	0	0
Fareham College FE Capital Transformation Loan	420,000	0	0	(420,000)	(420,000)	0	0
Southsea Coastal Defences	0	0	0	0	0	0	0
ABP - Shore Power Initiative	0	0	0	0	0	0	0
M27 J10 - Business Case progression	0	0	0	0	0	0	0
Solent Build Back Greener Loan Fund	2,500,000	0	0	(2,500,000)	(2,500,000)	0	0
LGD funding indicatively earmarked for projects in future years	0	0	0	0	0	0	0
LGD recycled loan funding	0	0	0	0	0	0	0
(Over) / Under Programming	0	0	0	0	0	0	0
Sub-total - Local Growth Deal	8,268,910	(1,588,327)	2,955,996	(5,312,914)	(5,312,914)	0	0
DfT Retained Schemes							
Stubbington Bypass	827,475	827,475	827,475	0	0	0	0
Stubbington Bypass - Programme Management Costs	18,084	13,544	18,084	0	0	0	0
<i>Growth deal provisional allocation for M27 Junction 10 (post 2016)</i>	0	0	0	0	0	0	0
Sub-total - DfT Retained Schemes	845,559	841,018	845,559	0	0	0	0
Getting Building Fund							
Port of Southampton Cruise Terminal	0	(1,200,000)	0	0	0	0	0
Enzyme Recycling Techniques - Building an Industrial Engagement Hub	150,000	150,000	150,000	0	0	0	0
Fawley Waterside Digital	475,000	362,500	475,000	0	0	0	0
Branstone Farm Rural Employment Hub	529,844	(529,559)	529,844	0	0	0	0
HIWWT - Nutrient Mitigation Programme	0	0	0	0	0	0	0
University of Southampton - Centre for Electronics Frontiers	0	0	0	0	0	0	0
Maritime Innovation Hub	850,000	50,399	55,000	(795,000)	(795,000)	0	0
Portsmouth International Port - Provision of Border Control Post	0	0	0	0	0	0	0
Programme Management	0	0	0	0	0	0	0
GBF Recycled Loan Funding	0	0	0	0	0	0	0
Recycled LGD / GBF Loans - Programme Management Costs	100,000	61,241	100,000	0	0	0	0
Sub-total - Getting Building Fund	2,104,844	(1,105,419)	1,309,844	(795,000)	(795,000)	0	0
Other Capital Funding Programmes:							
Building Foundations for Growth Capital Grant for EZ	417,783	0	0	(417,783)	(417,783)	0	0
Centenary Quay (DCLG Infrastructure House Building Capital Fund)	0	0	0	0	0	0	0
Other Infrastructure Funding:							
Capacity funding	73,669	39,461	73,669	0	0	0	0
One Public Estate	0	0	0	0	0	0	0
Transport Delivery Excellence Funding	0	0	0	0	0	0	0
Energy strategy	1,029	0	1,029	0	0	0	0
Infrastructure (Land & Property) Total	14,587,189	(1,719,449)	5,311,492	(9,275,697)	(9,275,697)	0	0

Place	Full Year Budget 2022/23*	Actual Expenditure up to 28 Feb 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 23 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2023/24	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Capacity Funding	0	0	0	0	0	0	0
Place Total	0	0	0	0	0	0	0

Skills	Full Year Budget 2022/23*	Actual Expenditure up to 28 Feb 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 23 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2023/24	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government

	£	£	£	£	£	£	£
Fareham College - Civil Engineering Training Centre	0	(49,719)	0	0	0	0	0
Capacity funding	0	0	0	0	0	0	0
Solent Employer Ownership Programme	0	0	0	0	0	0	0
Careers Enterprise Company / Enterprise Adviser Network	536,613	380,185	421,639	(114,974)	(114,974)	0	0
Skills Advisory Panels	55,256	20,475	55,256	0	0	0	0
Digital Skills Partnership	89,000	8,582	20,000	(69,000)	(69,000)	0	0
Skills Total	680,869	359,524	496,895	(183,974)	(183,974)	0	0

Strategic Sectors	Full Year Budget 2022/23*	Actual Expenditure up to 28 Feb 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 23 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2023/24	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Other Strategic Sector Initiatives:							
National Maritime Systems Centre	0	0	0	0	0	0	0
Southampton Solent University - Warsash School of Maritime Science and Engineering	0	0	0	0	0	0	0
Martime UK Solent	300,000	300,000	300,000	0	0	0	0
Capacity Funding	3,825	4,780	4,780	955	0	955	0
Solent Cluster	0	0	4,000	4,000	0	0	0
Solent Freeport 21/22 Contribution	0	0	0	0	0	0	0
Strategic Sectors Total	303,825	304,780	308,780	4,955	0	955	0

Innovation	Full Year Budget 2022/23*	Actual Expenditure up to 28 Feb 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 23 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2023/24	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Capacity Funding	35,565	29,126	35,565	0	0	0	0
Innovation Total	35,565	29,126	35,565	0	0	0	0

Operational Central Costs	Full Year Budget 2022/23*	Actual Expenditure up to 28 Feb 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 23 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2023/24	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Staffing costs	490,000	374,885	425,000	(65,000)	0	(65,000)	0
Office costs	45,000	14,816	45,000	0	0	0	0
Finance costs including forecast costs for Democratic Services for future years	100,000	89,230	100,000	0	0	0	0
Legal support	60,000	45,711	60,000	0	0	0	0
Marketing & Communication costs	80,000	76,729	80,000	0	0	0	0
Contingency / Reserves	28,878	0	25,923	(2,955)	0	(2,955)	0
Solent 2050	186,734	82,379	136,734	(50,000)	(50,000)	0	0
SEEDA legacy funding for business engagement	0	0	0	0	0	0	0
LEP Network / Catalyst South	21,256	7,000	21,256	0	0	0	0
Operational Central Costs Total	1,011,868	690,751	893,913	(117,955)	(50,000)	(67,955)	0

Total LEP Budget	17,262,959	(105,219)	7,343,895	(9,919,064)	(9,856,064)	(67,000)	0
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* As agreed at LEP Board 2 December 2022

SOLENT LOCAL ENTERPRISE PARTNERSHIP - BUDGET FORECAST TO 2024/25

ENTERPRISE (BUSINESS SUPPORT)	Actual Expenditure to end 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Total Budget	Total Forecast Expenditure	Variance
Solent RGF - Bridging the Gap:							
Awards	4,950,391	-	-	-	4,950,391	4,950,391	-
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	-	168,000	-	2,583,719	2,583,719	-
SME Support (Transition)	214,064	24,000	378,393	200,000	816,457	816,457	-
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	1,480,000	-	-	-	1,480,000	1,480,000	-
Natural Enterprise - Rural Resilience (COVID19 Response)	175,000	-	-	-	175,000	175,000	-
Matched funding for ERDF Growth Accelerator Fund	-	-	-	-	0	0	-
Solent Growth Fund (Growth deal - 2015/16 to 2021) - Programme Management	905,215	-	-	-	905,215	905,215	-
Solent Growth Hub (Growth deal - 2015/16 to 2021)	2,218,177	268,250	250,000	250,000	2,986,427	2,986,427	-
Peer Networks	343,003	-	-	-	343,003	343,003	-
EU Transition	136,050	-	-	-	136,050	136,050	-
Pay It Forward - Micro / Small Business Support (Revenue)	259,505	5,000	78,988	-	343,493	343,493	-
ERDF Restart and Recovery, and Kickstarting Tourism Grant Fund	400,034	-	-	-	400,034	400,034	-
SME Support - Business Intelligence and Readiness	96,854	-	-	-	96,854	96,854	-
Improving Digital Capability for SME's (LGD funded 2019/20 onwards via Solent Prosperity Fund)	112,502	-	-	-	112,502	112,502	-
Enterprise Total	15,731,764	297,250	875,381	450,000	17,354,395	17,354,395	-
INFRASTRUCTURE (Land & Property)	Actual Expenditure to end 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	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	-
GPL Earmarked to support Freeport projects	-	-	5,000,000	-	5,000,000	5,000,000	-
GPL - Prosperity Fund Loans	-	-	426,708	-	426,708	426,708	-
GPL - SME Loans	-	-	1,000,000	-	1,000,000	1,000,000	-
Recycled Growing Places Loan Fund for re-allocation	-	-	3,850,000	3,286,208	7,136,208	7,136,208	-
Growing Places Loan Fund: Capital Loans Advanced / Available	13,000,000		10,276,708	3,286,208	26,562,916	26,562,916	-
Use of Fund for other Purposes (not repayable):							
- Growing Places Loan Fund Programme Management Costs	374,751	125,395	159,854	140,000	800,000	800,000	-
Growing Places Loan Fund: Fund used and not repayable	374,751	125,395	159,854	140,000	800,000	800,000	-

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	965,000	-	-	-	965,000	965,000	-
Peel Common Roundabout and St Margarets Roundabout	4,340,000	-	-	-	4,340,000	4,340,000	-
Newgate Lane South	8,500,000	-	-	-	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)	3,957,000	-	-	-	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	10,774,246	600,000	2,625,754	-	14,000,000	14,000,000	-
Local Large Major transport schemes and infrastructure investment	363,717	-	-	-	363,717	363,717	-
Stubbington Bypass - LGD forward funding	8,500,000	-	-	-	8,500,000	8,500,000	-
Solent Growth Deal - Programme Management Costs	2,084,870	122,508	-	-	2,207,378	2,207,378	-
A326 Highway Improvements	2,563,352	2,233,488	883,160	-	5,680,000	5,680,000	-
IOW Island Line - Brading Loop	595,000	-	105,000	-	700,000	700,000	-
CCIXR	3,617,561	-	-	-	3,617,561	3,617,561	-
COVID-19 Loan Fund	2,750,000	-	-	-	2,750,000	2,750,000	-
Fareham College FE Capital Transformation Loan	-	-	-	-	0	0	-
Southsea Coastal Defences	5,000,000	-	-	-	5,000,000	5,000,000	-
ABP - Shore Power Initiative	4,434,350	-	-	-	4,434,350	4,434,350	-
M27 J10 - business case progression	900,000	-	-	-	900,000	900,000	-
Solent Prosperity Fund	-	-	-	-	0	0	-
Accountable Body Capital Expenditure (Funded by LGD to maximise use of LGD)	1,000,000	-	-	-	1,000,000	1,000,000	-
Solent Build Back Greener Loan Fund	-	-	4,993,292	-	4,993,292	4,993,292	-
LGD recycled loan funding	-	-	2,190,000	460,000	2,650,000	2,650,000	-
SUB TOTAL: Solent Growth Deal:	85,830,771	2,955,996	10,797,206	460,000	100,043,973	100,043,973	-
DfT Retained Schemes							
Stubbington Bypass	23,821,551	827,475	849,974	-	25,499,000	25,499,000	-
Stubbington Bypass - Programme Management Costs	182,916	18,084	-	-	201,000	201,000	-
M27 J10 - Initial Business Case preparation	4,650,000	-	-	-	4,650,000	4,650,000	-
SUB TOTAL: DfT Retained Schemes:	28,654,467	845,559	849,974	-	30,350,000	30,350,000	-
Getting Building Fund							
Port of Southampton Cruise Terminal	8,000,000	-	-	-	8,000,000	8,000,000	-
Enzyme Recycling Techniques - Building an Industrial Engagement Hub	850,000	150,000	-	-	1,000,000	1,000,000	-
Fawley Waterside Digital	275,000	475,000	-	-	750,000	750,000	-
Branstone Farm Rural Employment Hub	1,695,156	529,844	-	-	2,225,000	2,225,000	-
HIWWT - Nutrient Mitigation Programme	2,000,000	-	-	-	2,000,000	2,000,000	-
University of Southampton - Centre for Electronics Frontiers	-	-	-	-	0	0	-
Maritime Innovation Hub	-	55,000	1,195,000	-	1,250,000	1,250,000	-
Portsmouth International Port - Provision of Border Control Post	550,000	-	-	-	550,000	550,000	-
Programme Management	580,000	-	-	-	580,000	580,000	-
GBF Recycled Loan Funding	-	-	1,425,000	475,000	1,900,000	1,900,000	-
Recycled LGD / GBF Loans - Programme Management Costs	-	100,000	50,000	50,000	200,000	200,000	-
Sub-total - Getting Building Fund	13,950,156	1,309,844	2,670,000	525,000	18,455,000	18,455,000	-
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	455,331	73,669	73,000	73,000	675,000	675,000	-
One Public Estate	19,950	-	-	-	19,950	19,950	-
Transport Delivery Excellence Funding	42,000	-	-	-	42,000	42,000	-
Energy Strategy	48,971	1,029	-	-	50,000	50,000	-
Infrastructure (Land & Property) Total	156,724,535	5,311,492	25,244,525	4,484,208	191,764,760	191,764,760	-

PLACE	Actual Expenditure to end 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Total Budget	Total Forecast Expenditure	Variance
Capacity funding	334,648	-	-	-	334,648	334,648	-
Place Total	334,648	0	0	0	334,648	334,648	-

SKILLS	Actual Expenditure to end 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	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	2,828,112	-	-	-	2,828,112	2,828,112	-
Capacity funding	492,305	-	-	-	492,305	492,305	-
Solent Employer Ownership Programme	1,499,954	-	-	-	1,499,954	1,499,954	-
Solent Employer Ownership Programme - Local Growth Deal contribution	129,000	-	-	-	129,000	129,000	-
Careers Enterprise Company / Enterprise Adviser Network	1,380,336	421,639	334,974	-	2,136,949	2,136,949	-
Skills Advisory Panels	224,744	55,256	-	-	280,000	280,000	-
Digital Skills Partnership	-	20,000	69,000	-	89,000	89,000	-
Skills Total	30,461,297	496,895	403,974	0	31,362,166	31,362,166	0

STRATEGIC SECTORS	Actual Expenditure to end 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	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	5,000,000	-	-	-	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	-
Capacity funding	329,799	4,780	-	-	334,579	334,579	-
Maritime UK Solent	250,000	300,000	250,000	-	800,000	800,000	-
Solent Cluster	-	4,000	56,000	-	60,000	60,000	-
Solent Freeport 21/22 Contribution	50,000	-	-	-	50,000	50,000	-
Strategic Sectors Total	15,849,418	308,780	306,000	0	16,464,198	16,464,198	-

INNOVATION	Actual Expenditure to end 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	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	-	-	-	-	0	0	-
UoS - Web Science (Z21)	500,000	-	-	-	500,000	500,000	-
Capacity Funding	94,435	35,565	35,000	-	165,000	165,000	-
Innovation	8,382,953	35,565	35,000	0	8,453,518	8,453,518	0

OPERATIONAL CENTRAL COSTS	Actual Expenditure to end 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Total Budget	Total Forecast Expenditure	Variance
Staffing costs	2,829,941	425,000	400,000	250,000	3,904,941	3,904,941	-
Office costs	743,445	45,000	60,000	60,000	908,445	908,445	-
Finance costs incl forecast costs for Democratic Services for future years	648,599	100,000	55,000	10,000	813,599	813,599	-
Legal support	423,138	60,000	40,000	-	523,138	523,138	-
Marketing & Communication costs	596,230	80,000	140,000	60,000	876,230	876,230	-
Contingency / Reserves	-	25,923	707,000	626,058	1,358,981	1,358,981	-
Solent 2050	1,283,283	136,734	50,000	-	1,470,017	1,470,017	-
SEEDA legacy funding for business engagement	-	-	-	-	0	0	-
LEP Network and Southern LEP's (Catalyst South)	71,000	21,256	-	-	92,256	92,256	-

Operational Central Costs Total	6,595,636	893,913	1,452,000	1,006,058	9,947,607	9,947,607	-
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LEP BUDGET GRAND TOTAL	Actual Expenditure to end 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Total Budget	Total Forecast Expenditure	Variance
	234,080,250	7,343,896	28,316,880	5,940,266	275,681,292	275,681,292	-

FUNDING SUMMARY	Actual Expenditure to end 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	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	134,573,666	116,202	1,767,393	200,000	136,657,261
Temporary Local Growth Deal Switch with PCC Capital Resources	1,000,000	-	-	-	1,000,000
DfT Funding for Retained Schemes	28,654,467	3,709,353	8,236,180	-	40,600,000
LGD Loan recycled funding	-	50,000	2,215,000	485,000	2,750,000
DfT Funding to be received M27 J10	-	-	-	-	-
DCLG Infrastructure House Building Capital Fund (CQ)	7,675,921	-	-	-	7,675,921
Solent Growth Hub	2,143,000	268,250	45,000	-	2,456,250
Peer Networks	343,003	-	-	-	343,003
EU Transition	136,050	-	-	-	136,050
Solent Futures RGF Round 3	2,912,855	-	-	-	2,912,855
Growing Places Fund - Revenue	390,196	745,496	278,988	-	1,414,680
Growing Places Fund - Capital	15,896,147	82,787	10,401,069	3,359,208	29,739,211
Solent Futures	3,000,000	-	-	-	3,000,000
Solent Employer Ownership Programme (Wave 2 City Deal)	1,500,000	-	-	-	1,500,000
The Careers & Enterprise Co. - Enterprise Adviser Network	1,004,147	290,709	267,094	-	1,561,950
Enterprise Advice Network - Matched Funding (Interest Earned)	398,379	130,930	67,880	-	597,189
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	900,000	-	-	-	900,000
Transport Excellence	78,000	-	-	-	78,000
BIS - Capacity Fund	826,800	-	-	-	826,800
BIS - Core Funding	2,880,000	375,000	250,000	-	3,505,000
LEP Review - Core Funding	400,000	-	-	-	400,000
PUSH	30,000	-	-	-	30,000
Push Inward investment contribution	-	-	-	-	-
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	103,878	237,038	1,628,493	1,396,058	3,365,467
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
Energy Strategy Funding (BEIS)	48,971	1,029	-	-	50,000
Skills Advisory Panel	224,744	55,256	-	-	280,000
ERDF UoP Funding	400,034	-	-	-	400,034
ERDF Legacy Funding	161,665	-	-	-	161,665
ERDF Funding - Revenue Funding funded from Interest	91,858	-	-	-	91,858
ERDF Funding - Bridging the Gap (matched funding SGF)	(0)	-	-	-	(0)
Digital Skills Partnership Funding (SCC, DCMS, South East LEP, Catalyst South)	-	20,000	69,000	-	89,000
Solent Cluster Funding (ExxonMobil)	-	2,000	28,000	-	30,000
Solent Freeport (MIH)	-	-	400,000	-	400,000
Getting Building Fund	13,950,157	1,209,843	795,000	-	15,955,000
Getting Building Fund - Recycled Loan Funding	-	50,000	1,450,000	500,000	2,000,000
Grant Total - Funding	234,080,251	7,343,894	28,316,880	5,940,266	275,681,292

Growing Places Fund - Forecast Reserve for Future Projects	Budget 2022/23	Budget 2023/24	Budget 2024/25
Net Cumulative Growing Places Reserve Forecast - see appendix D for details	13,760,276	3,359,207	-

TOTAL FUNDING TO SUPPORT LEP ACTIVITY	275,681,292
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APPENDIX C

Corporate and Strategic 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 £	2024/25 £	Total £
Opening Balance	0	(10,064,210)	(5,815,577)	(8,796,125)	(9,887,987)	(11,909,810)	(12,542,271)	(11,865,500)	(14,067,820)	(13,843,063)	(13,760,276)	(3,359,207)	
Initial 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
Project Management		73,633	544,452	108,138	103,177	167,539	676,771	997,680	224,757	82,787	124,361	73,000	3,176,295
GPL Earmarked to support Freeport projects											5,000,000		5,000,000
GPL - Prosperity Fund Loans											426,708		426,708
GPL - SME Loans											1,000,000		1,000,000
Recycled Loan Funds available for reallocation									0	0	3,850,000	3,286,208	7,136,208
Total: Contingency Provisions and Growing Places Loan Programme Management Costs	6,675,000	5,398,633	1,544,452	108,138	103,177	167,539	676,771	997,680	224,757	82,787	10,401,069	3,359,208	29,739,211
Loans repaid (Capital Receipts)										82,787	10,401,069	3,359,208	
Round 1													
CEMAST		(300,000)	(575,000)	(800,000)	(1,325,000)								(3,000,000)
Solent EZ Infrastructure package		(850,000)	(3,950,000)	(400,000)	(800,000)	(800,000)		(3,200,000)					(8,000,000)
Griffon Hoverwork				(400,000)	(800,000)	(800,000)	0						(2,000,000)
Solent Build Back Greener Loan Fund													0
	0	(1,150,000)	(4,525,000)	(1,200,000)	(2,125,000)	(800,000)	0	(3,200,000)	0	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	0	(13,000,000)
TOTAL CUMULATIVE BALANCE OF FUND AVAILABLE		(5,815,577)	(8,796,125)	(9,887,987)	(11,909,810)	(12,542,271)	(11,865,500)	(14,067,820)	(13,843,063)	(13,760,276)	(3,359,207)	1	

Note: This a revolving fund which will continue to be recycled post 2024/25

LOCAL GROWTH DEAL 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 £	2024/25 £	Total £
Opening Balance								0	0	(4,916,792)	(5,769,160)	(54,076)	
Covid-19 Loan Fund Allocation								(2,425,000)	(325,000)				(2,750,000)
T-Level Fund Allocation									(420,000)	420,000			0
Solent Build Back Greener Loan Fund Allocation									(4,573,292)		(420,000)		(4,993,292)
Projects Funded													
Vectis Ventures								1,500,000					1,500,000
Greenclose Holdings								925,000	325,000				1,250,000
Fareham College FE Capital Transformation										0			0
Solent Build Back Greener Loan Fund											4,993,292		4,993,292
Recycled Loan Funds available for reallocation									0	0	2,190,000	460,000	2,650,000
Programme Management costs										50,000	25,000	25,000	100,000
Sub-total: Loans Advanced	0	0	0	0	0	0	0	2,425,000	325,000	50,000	7,208,292	485,000	10,493,292
Loans repaid (Capital Receipts)													
Vectis Ventures									(187,500)	(562,500)	(750,000)		(1,500,000)
Greenclose Holdings									(156,000)	(339,868)	(323,208)	(430,924)	(1,250,000)
Fareham College FE Capital Transformation												0	0
Solent Build Back Greener Loan Fund												0	0
Sub-total: Total Planned Fund Repayments	0	0	0	0	0	0	0	0	(343,500)	(902,368)	(1,073,208)	(430,924)	(2,750,000)
TOTAL CUMULATIVE BALANCE OF FUND AVAILABLE								0	(4,916,792)	(5,769,160)	(54,076)	0	

Note: This a revolving fund which will continue to be recycled post 2024/25

GETTING BUILDING FUND 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 £	2024/25 £	Total £
Opening Balance								0	(2,000,000)	0	(450,000)	(500,000)	
Initial Allocation								(2,000,000)					(2,000,000)
Projects Funded													
HIWWT - Nutrient Mitigation Programme									2,000,000				2,000,000
Recycled Loan Funds available for reallocation											1,425,000	475,000	1,900,000
Programme Management Costs										50,000	25,000	25,000	100,000
Sub-total: Loans Advanced	0	0	0	0	0	0	0	0	2,000,000	50,000	1,450,000	500,000	4,000,000
Loans repaid (Capital Receipts)													
HIWWT - Nutrient Mitigation Programme										(500,000)	(1,500,000)		(2,000,000)
Sub-total: Total Planned Fund Repayments	0	0	0	0	0	0	0	0	0	(500,000)	(1,500,000)	0	(2,000,000)
TOTAL CUMULATIVE BALANCE OF FUND AVAILABLE								(2,000,000)	0	(450,000)	(500,000)	0	

Note: This a revolving fund which will continue to be recycled post 2024/25

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	Actual 2020/21*	Actual 2021/22**	Budget 2022/23	Budget 2023/24	Budget 2024/25	Total Budget
Solent Growth Fund (Growth deal - 2015/16 to 2021) / - SME Support from Solent Prosperity Fund	355,932	1,405,872	380,283	984,025	1,119,607	177,460	-	-	-	-	4,423,179
SME Support (COVID-19 priorities)	-	-	-	-	-	-	361,604	24,003	546,393	200,000	1,132,000
Solent Growth Fund (Growth deal - 2015/16 to 2021) - Programme Management	150,500	149,500	179,150	141,198	141,014	143,852	-	-	-	-	905,214
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	-	-	-	-	-	(390,000)	-	-	-	965,000
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	183,281	177,492	122,508	-	-	2,207,377
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)	-	-	-	-	-	9,788,220	14,033,331	827,475	849,974	-	25,499,000
Stubbington Bypass - programme management costs	-	-	-	-	-	138,872	44,044	18,084	-	-	201,000
Fareham College - Civil Engineering Training Centre	-	-	-	-	2,402,418	425,693	-	-	-	-	2,828,111
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	7,147,948	1,721,018	600,000	2,625,754	-	14,000,000
A326 Highway Improvements	-	-	-	-	-	0	2,563,352	2,233,488	883,160	-	5,680,000
IOW Island Line - Brading Loop	-	-	-	-	-	595,000	0	-	105,000	-	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 Loan Fund	-	-	-	-	-	2,425,000	325,000	-	-	-	2,750,000
Fareham College FE Capital Transformation Loan	-	-	-	-	-	-	-	-	-	-	0
M27 J10 - original business case development (LGD - DfT retained)	-	-	-	2,150,000	2,500,000	-	-	-	-	-	4,650,000
M27 J10 - business case progression	-	-	-	0	0	429,814	470,186	-	-	-	900,000
Solent Prosperity Loan Fund	-	-	-	-	-	-	-	-	4,993,292	-	4,993,292
SUB-TOTALS:	38,833,432	37,807,314	8,312,999	7,804,531	12,962,743	38,201,084	19,306,027	3,825,558	10,003,573	200,000	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	12,962,743	38,201,084	19,306,027	3,825,558	10,003,573	200,000	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	12,962,743	38,201,084	19,306,027	3,825,558	10,003,573	200,000	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	-	-	-	-	-	9,927,092	14,077,375	845,559	849,974	-	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)	1,210,057	8,771,306	5,228,652	2,979,999	9,153,599	200,000	-
TOTALS:	39,833,432	37,807,314	8,312,999	7,804,531	12,962,743	38,201,084	19,306,027	3,825,558	10,003,573	200,000	178,257,261

SOLENT LOCAL ENTERPRISE PARTNERSHIP - GETTING BUILDING FUND					
SCHEME NAME	Actual 2020/21 *	Actual 2021/22 **	Budget 2022/23 ***	Budget 2023/24	Total Budget
Port of Southampton Cruise Terminal	6,800,000	1,200,000	-	-	8,000,000
Enzyme Recycling Techniques - Building an Industrial Engagement Hub	308,283	541,717	150,000	-	1,000,000
Fawley Waterside Digital	-	275,000	362,500	112,500	750,000
Branstone Farm Rural Employment Hub	150,000	1,545,156	529,844	-	2,225,000
HIWWT - Nutrient Mitigation Programme	-	2,000,000	-	-	2,000,000
University of Southampton - Centre for Electronics Frontiers	-	-	-	-	0
Maritime Innovation Hub	-	-	55,000	1,195,000	1,250,000
Portsmouth International Port - Provision of Border Control Post	-	550,000	-	-	550,000
Programme Management	109,761	470,239	-	-	580,000
TOTAL UTILISATION OF GETTING BUILDING FUND	7,368,044	6,582,112	1,097,344	1,307,500	16,355,000
<u>FUNDING AGREED / INDICATIVE ALLOCATIONS</u>					
Getting Building Funding - received	8,005,000	7,950,000	-	-	15,955,000
Solent Freeport (MIH)	-	-	-	400,000	400,000
Funding Slippage / Acceleration	(636,956)	(1,367,888)	1,097,344	907,500	-
TOTALS:	7,368,044	6,582,112	1,097,344	1,307,500	16,355,000
	Variance:	0	0	0	0

* Includes year end accruals made for grant claims received in 20/21 but not paid. All accrued grant claims have now been paid. £636,956 used for Freedoms and Flexibilities.

** Includes year end accruals made for grant claims received in 21/22 but not paid. Total accruals made £2,430,009

*** £2,004,844 Freedoms and Flexibilities used in 2021/22

APPENDIX F

Project Risk Matrix

A confidential report will be considered at the meeting

APPENDIX G

RRR Loan Update

A confidential report will be considered at the meeting

APPENDIX H

Enterprise Zone Update

A confidential report will be considered at the meeting

APPENDIX I

New Funds Update

A confidential report will be considered at the meeting

APPENDIX J

Project Variations

A confidential report will be considered at the meeting

31.3.2023

Item 7

Corporate Plan 2023 - 2026

**A confidential report will be
considered at the meeting**

Item 7 - Annexe A

A confidential report will be considered at the meeting

Item 7 - Annexe B

A confidential report will be considered at the meeting

31.3.2023

Item 8

Governance Update

Item 8A

Title: Governance Update - Solent LEP
Date: 31 March 2023
Purpose: For information and decision

Draft resolution

Board Members are asked to:

- **Note** the update in relation to the AGM and;
- **Agree** the proposed revisions to the AGM agenda at annexe A, and;
- **Delegate authority** to the LEP Chief Executive in consultation with the Chair to agree the final date, venue and issue invites for the AGM, and;
- **Agree** the LEP annual report for publication at the AGM.
- **Note** the update in relation to the 2023/24 Delivery Plan
- **Consider** the extent that any interests on the Register of Interests forms submitted by Directors give rise to situations in which those Directors have, or could have, a direct or indirect interest that conflicts with, or might possibly conflict with, the interests of the company (for the purposes of section 175 of the Companies Act 2006), and having considered whether authorisation of such possible conflicts is in the best interests of the company, to
- **Authorise** those potential conflict situations subject to the proviso that if any such possible conflict materialises as an actual conflict:
 - I. the conflicted director is absent from the part of the meeting at which there is discussion of any arrangement or transaction giving rise to the conflict;
 - II. the conflicted director does not vote on any such matter and is not to be counted when considering whether a quorum of directors is present at the meeting.

Background

This paper provides an update in relation to following areas:

- Consideration of Solent LEP Annual report 2023 and the AGM
- Solent LEP Delivery plan for 2023/24
- Management of interests update

Consideration of Solent LEP Annual report 2023 and the AGM

Board Members will recall that a draft AGM agenda was agreed at the December 2023 Board meeting. However, considering the direction of travel following the Board strategy sessions and Spring budget, and subject to the discussion under item 7 on the LEP Board agenda, this has been updated to include an opportunity to introduce Solent Partners to the LEP membership as

part of the meeting. A revised agenda is attached at Annexe A for the consideration of Board Members.

The Board are required under the Articles to hold an AGM by 5th July 2023 at the latest. A provisional date and venue have been held for 6th June 2023 at the University of Portsmouth Business School and it is recommended that the final decision on moving forward with the meeting be delegated to the LEP Chief Executive in consultation with the Chair - pending the Boards consideration of the approach to Solent Partners.

The Solent LEP are also required to publish an annual report and, to date, the LEP has always published its annual report as part of the AGM in order to provide members with an advanced copy of the document. A draft Annual Report is attached for the review of Board Members at Annexe B and it is recommended that this is agreed for publication at the AGM.

Board Members are asked to

- **Note** the update in relation to the AGM and;
- **Agree** the proposed revisions to the AGM agenda at annexe A, and;
- **Delegate authority** to the LEP Chief Executive in consultation with the Chair to agree the final date, venue and issue invites for the AGM, and;
- **Agree** the LEP annual report for publication at the AGM.

Solent LEP Delivery Plan for 2023/24

The HM Government Guidance on integrating Local Enterprise Partnerships into local democratic institutions ([available here for reference](#)) set out the following requirement in relation to LEP Delivery Plans:

"For future years, we will ask LEPs on this pathway to agree delivery plans alongside delivery and performance metrics with government in advance of publication. Our current expectation is that LEPs will need to submit draft delivery plans for 2023/24 by 25 November 2022. Future provision of core funding will be subject to agreement of these plans with government and, thereafter, subject to meeting agreed delivery and performance metrics. We intend to amend the NLGAF over the coming year to ensure our future requirements of LEPs remain proportionate to their revised role and functions."

Board Members will recall that a draft delivery plan was agreed and submitted to HM Government on 25th November 2022 in line with the published deadline. A copy of this delivery plan is included as reference material for information. To date, no feedback has been received on the delivery plan, however, all LEPs have received confirmation that core funding for 2023/24 would be received (letter included as reference material) and on this basis it is inferred that the delivery plan has been agreed by HM Government. On this basis, the executive would ordinarily seek authority from the Board to publish the delivery plan. However, the plan was drafted ahead of the Budget announcement that the government intends for the functions of Local Enterprise Partnerships to be delivered by local government in the future and ahead of the consideration of the LEP Board in relation to the establishment of Solent Partners at the meeting. It is therefore recommended that the Board delay publication of the delivery plan to enable a final review at the May 2023 meeting as this will enable the document to be positioned appropriately.

Board Members are asked to:

- **Note** the update in relation to the 2023/24 Delivery Plan

Management of Interests

Board Members have previously been provided with regular updates from the Solent LEP Executive and Company Secretary in relation to the management of interests in the context of the HM Government Local Growth Assurance Framework, Company law and the Solent LEP Articles of Association.

Board members are required to consider the registers of interests of other board members. They can be accessed in the following link <https://solentlep.org.uk/who-we-are/solent-lep-board/board-biographies/>

At the meeting on 31 March 2023, Board Members will be asked to:

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

Legal comments

There are no legal implications that need to be noted.

Financial comments from the S151 Officer of the Accountable Body

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

Item 8A - Annexe A

**A confidential report will be considered at the
meeting**

Item 8A - Annexe B

**A confidential report will be considered at the
meeting**

Item 8b

Title: Governance Update - Maritime UK Solent
Date: 31 March 2023
Purpose: For information and decision

Draft resolution

Board Members are asked to:

- **Note** the Maritime UK Solent Business Plan for 2023/24; and
- **Note** the Maritime UK Solent Annual Report, and;
- **Agree** that the requirement for an independent evaluation report should be deferred until the end of the 2023/24 funding period, and;
- **Agree** that £116,000 Tranche 2 funding can be carried forward to 2023/24, and;
- **Agree** the Tranche 3 funding of £250,000 for the 2023/24 financial year should be paid to Maritime UK Solent, and;

Background

This paper provides an update in relation to following areas:

- Consideration of MUK Solent Business Plan and Annual Report

Maritime UK Solent Business Plan and Annual Report

On 10 February 2022 Solent LEP wrote to Maritime UK Solent to set out funding arrangements of a total of £800,000 over the three years 2021/22, 2022/23 and 2023/24. A copy of this letter is provided as reference material. On 16 March 2022 Solent LEP Board considered and agreed the proposed Maritime UK Solent Business Plan for 2022/23. The Solent LEP Board further considered a mid-year review of the Business Plan in December 2022.

As part of the funding arrangements, Maritime UK Solent is required to provide a Business Plan for the 2023/24 year to Solent LEP and this is provided at Annexe A. The Business Plan review is split into six sections: Forward; Maritime UK Solent; Out Solent Maritime Cluster; Our Mission; Corporate Development; and Financial Forecasts. Section four of the Business Plan sets out the activities that are expected to take place in order to lead, champion and grow the maritime industry in the Solent area. This includes lobbying Government and promoting funding opportunities, activities to promote skills and ready the future Maritime workforce in the area, establishing the Maritime Innovation Hub and a networking and events programme. Section five of the Business Plan gives a forecast budget for the 2023/24 financial year. In line with the Capacity Funding agreement, the 2022/23 Annual report of Maritime UK Solent has also been submitted and is attached at Annexe B. The Maritime UK Solent Managing Director and Chair

will provide an overview of the business plan and annual report to the LEP Board at the meeting. Board Members will note from the financial information included within the Annual Report that there is a £116,000 underspend against the Tranche 2 funding provided to date and Maritime UK Solent are recommending that this funding is carried forward to 2023/24. In line with the funding letter, this requires approval from the LEP Board and, therefore, the Board will be asked to consider and approve this recommendation.

Board Members should also note that, as part of the capacity funding letter, alongside the submission of the annual report and business plan, there was a requirement for the submission of an annual independent evaluation report, produced by a suitably qualified consultancy, to verify progress towards targets and the outputs, outcomes and impact secured by Maritime UK Solent. This report has not been provided to date and, recognising that the company has been in start up form - and that the business plan has been significantly refined during 2022/23 - it is not anticipated that commissioning an independent review of activity would provide significant value at this stage. Notwithstanding this, the independent evaluation of activity would be beneficial moving forward and, on this basis, it is recommended that this requirement is maintained, but deferred until the end of the 2023/24 funding period.

Board Members are asked to:

- **Note** the Maritime UK Solent Business Plan for 2023/24; and
- **Note** the Maritime UK Solent Annual Report, and;
- **Agree** that the requirement for an independent evaluation report should be deferred until the end of the 2023/24 funding period, and;
- **Agree** that £116,000 Tranche 2 funding can be carried forward to 2023/24, and;
- **Agree** the Tranche 3 funding of £250,000 for the 2023/24 financial year should be paid to Maritime UK Solent.

Legal comments

There are no legal comments that need to be noted.

Financial comments from the S151 Officer of the Accountable Body

There are no specific financial implications for the LEP arising from the content of this report. Maritime UK Solent are complying with the requirements of the capacity funding letter and the funds are part of the approved LEP Budget.

Item 8B - Annexe A

**A confidential report will be considered at the
meeting**

Item 8B - Annexe B

**A confidential report will be considered at the
meeting**

Item 8C

A confidential report will be considered at the meeting

Item 8C - Annexe A

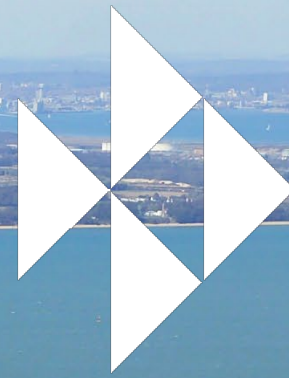
A confidential report will be considered at the meeting

31.3.2023

Item 9

General Updates

Item 9 General update



31st March 2023

SOLENT
LOCAL
ENTERPRISE
PARTNERSHIP



General update for information

Decarbonisation and Climate Change Adaptation

- The Solent Cluster

Enterprise and Skills:

- Solent Business Support Task Force
- Solent Growth Hub
- Careers
- Digital Skills Partnership
- Boot camps



Enterprise and Skills



Business Support Task Force

- Heard from Vulcan Offshore – a scaling business in the Solent. Objective to influence future business support programmes/activity with the fragmented UKSPF business support landscape emerging.
- CREATE Solent platform vision shared <https://www.createbritain.com/> . Feedback positive – help to retain Creative Talent in Solent.
- More positivity from businesses however still challenges with energy costs, skill shortages but businesses are adapting and working through it

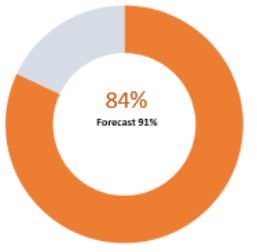
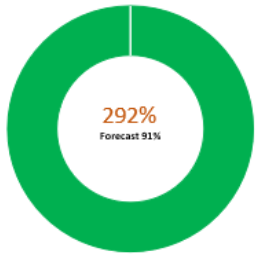
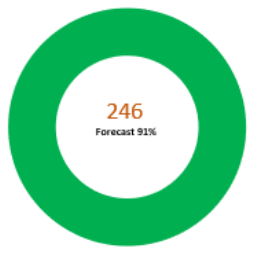


Growth Hub

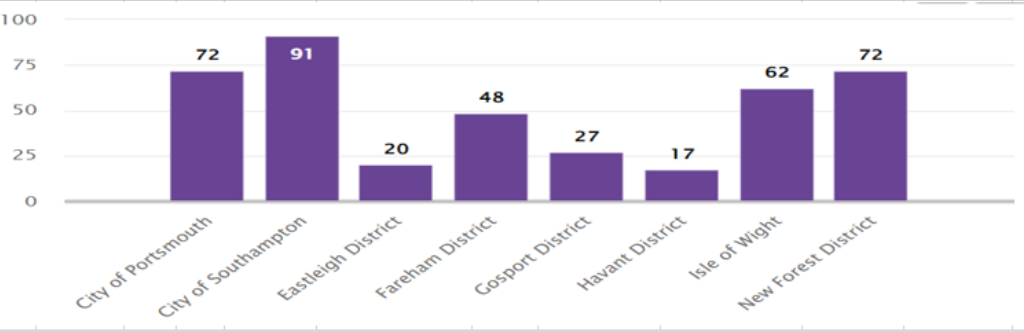
Solent LEP Growth Hub Data Dashboard

Light Engagements (up to 1hr)		Medium Engagements(1hr +)		High Engagements(12hr +)	
YTD actual	12319	YTD actual	1316	YTD actual	42
YTD forecast	4584	YTD forecast	412	YTD forecast	43

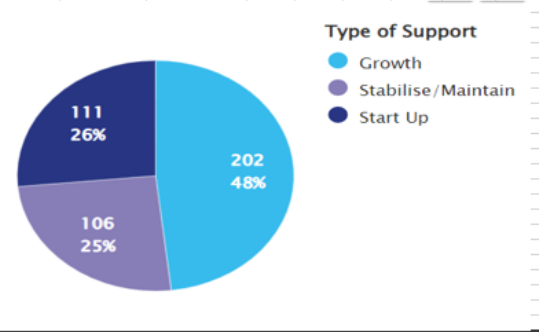
Light Engagements Medium Engagements High Engagements



Enquiries by local Authority



Type of Support



- All contractual KPI's are on target. High engagements have lagged slightly due to the mentoring programme for Creatives, not requiring the 12 hours (the definition of a High engagement).
- Enquiries across 2022/23 are proportionate in relation to size of business population with the exception of Eastleigh and Havant which are lower.
- 60 % of February enquiries were about growth in comparison of 48 YTD. January was 36%.
- 120 attendees at the four Creative sector events and 46 Creative businesses have accessed the LEP's Creative mentoring programme.
- New activity with Fareham and Havant Borough councils agreed for a start up and SME access to finance programmes respectively.
- 20 SME's have completed a 12 hour sustainability programme, learning how to become carbon negative.



Careers

- Performance across the majority of CEC contract KPI's (known as Floor Targets) has continued a positive trajectory moving into early 2023.
- Education establishment engagement is at the highest it has been since the introduction of the Solent Careers Hub with 94 (77 - February 2022) out of the 103 of the region's providers engaging with the Careers Hub
- Compass returns in the Solent last term was 66% (61 out of 92) the **5th highest in country**. The target for 22/23 is for a minimum of 2 uploads per establishment as without this we cannot fully understand the 'distance travelled' of the collective efforts of the hub and schools/colleges.
- Gatsby Benchmark achievement has shown improvement, notably GBM1, which has gone from 24.5 establishments achieving it in July 2021 to 41 in Jan2023. Overall GBM achievement has risen from an average of 3.59 in July 2021 to 4.19 in Jan2023, however only 5 institutions have recorded the maximum of 8 GBM fully complete.
- EA recruitment has shown improvement following an internal review of effectiveness and engagement over the past 12 months. Contract for 2023/24 will show flexibility on how EA's can be used across multiple establishments.
- The LEP are working in partnership with Business South and their Maritime Transport and Logistics Group (MTAG) to develop a shared resource to promote careers in this important local sector.



Digital Skills Partnership

Solent LEP is leading the Catalyst South Digital Skills Partnership (CSDSP) and have recruited a Digital Skills Partnership Manager who started in January 2023, with funding available to December 2023. Since its inception in January 2023, the CSDSP has been:

- Galvanising digital skills data, research and reports from all six Catalyst South regions to help find synergies to shape the focus on the DSP.
- Building a Steering Group to help drive focus and initiatives that help inform the DSP. The Steering Group currently includes membership from Pfizer, Amazon Studios, Micro Focus, AND Digital, Tech Solent, Cybercology and a LEP Skills Lead. The Steering group is representative of the Catalyst South region and has a mix of education, large and small businesses from the sector.
- Developing "scale-up" opportunities where the DSP adds value to existing initiatives. Plus identifying new "innovative" projects to the region that have been tried and tested in other DSP regions.
- Updating the previous DSP web platform to act as a showcase for activity and resources associated to the CSDSP. Each of the Catalyst South LEP's have made funding available to support this initiative. Aim to have the site live by early/mid-April.
- Digital Lives - WebCast Series - Initially to be hosted and recorded at Portsmouth University CCIXR building. A new series of content to help shape the "digital lives" and stories of individuals in work and life and their experiences with the digital world

Solent Digital Skills

- Solent LEP is working in partnership with The South Coast Institute of Technology (IOT) and Tech Solent to develop a **Solent Tech Talent Taskforce** with a shared ambition to bring together a range of organisations and expertise from Education, Local authority, employment agencies, Tech businesses (SME and large), Tech recruiters, Tech interest groups, Infrastructure providers and students to tackle the issue of technical skills availability.
- Emerging opportunities include Digital Skills Bootcamps, (Solent LEP is in discussion with Department for Education (DfE) to access funding for local provision), Immersive Digital days for young people including Hackathons and Digital Inclusion for employees and communities. The Solent Tech Talent Taskforce inaugural meeting will be in April 2023



Skills Bootcamps

- Skills bootcamps are intensive skills development programmes to address local employer needs.
- Only LEP`s or MCA`s can access funding. DfE have indicated this is not competitive and there is an open funding envelope.
- LEP submits proposal with costed skills bootcamps (DfE have an average (£3.5K per learner) but can range from £2k - £6K – if justifiable
- LEP can claim upfront 100% of planned Mgt costs (DfE indicated this could be about 15% of total grant amount) and is not taken as a top slice from delivery). and 50% delivery costs.
- LEP in discussion with LSIP and Colleges through the SDF consortium to develop a costed model for 2023/24 fy
- Initial thoughts include Creative, Maritime, Digital, Construction, Green, Care, Hospitality.
- Can be tailored to individual employer needs i.e. interest from Fat Face, SMR, Standard Aerospace, MTAG and self employed/start ups.



31.3.2023

Item 10

Forward Plan

Item: 10
Title: Any other business – LEP Board forward plan
Date: 31 March 2023
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**

27 May 2023 (9.00 am to 12.00 pm) venue to be advised

- Solent Cluster Update
- Finance and funding report to include mid-year review of:
 - Local Growth programme update
 - Final out-turn for 2022/23, In-year budget position for 2023/24 and financial forecasts to 2024/25
 - Review of Risk registers
- Final approval of Solent LEP Delivery plan for 2023/24
- Final approval of Corporate Plan 2023 – 2026 and new website
- Update on the Solent Enterprise Zone
- General update to include :
 - Report from the Business Support task group
 - Report from the Skills Advisory Panel
 - Report from Maritime UK Solent
 - Report from the Solent Growth Forum
 - Solent Freeport update

21 July 2023 (9.00 am to 12.00 pm) venue to be advised

- Solent Local Skills Improvement Plan (LSIP) update
-
- Finance and funding report to include mid-year review of:
 - Local Growth programme update
 - In-year budget position for 2023/24 and financial forecasts to 2024/25
 - Review of Risk registers
- Governance update to include:
 - 2021/22 Annual report from SERCOM
 - 2021/22 Annual Internal Audit report
- General update to include :
 - Report from the Business Support task group
 - Report from the Skills Advisory Panel
 - Report from Maritime UK Solent

- Report from the Solent Growth Forum
- Solent Freeport update

3. Equality Impact Assessment (EIA)

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

4. Legal Implications

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

5. S151 Officer of Finance Comments

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