



Solent Local Enterprise Partnership
Meeting of the Board to be held via Teams on Friday 26 May 2023
09:00 to 12:30

Item	Title	Time
1.	Welcome, Apologies for absence and Introduction	09:00 – 09:05
2.	Presentation from Solent Cluster	09:05 – 09:25
7.	Governance update to include: a. General Governance Update b. Report from Governance Working Group c. Solent Cluster d. Update on Maritime UK Solent e. Governance AoB.	09:25 - 10:05
8.	Corporate Plan 2023 – 2026	10:05 - 10:20
3.	HM Government update	10:20 – 10:35
4.	A. Notes of the meeting held on 31 March 2023	10:35 – 11:05
	B. Matters Arising and declarations of interest	
	LEP Matters requiring board decision	
5.	Finance and funding report to include; • Local Growth Programmes • Final year outturn position for 2022/23, • Agreement of 2023/24 budget and financial forecasts to 2024/25 • Update on fund calls • Review of Risk registers	11:05 – 11:35
6.	Solent Enterprise Zone	11:35 - 12:05
	LEP Matters for note	
9.	General updates to include: a. Feedback on the Solent Cluster b. Report from business support task force c. Update from Solent Growth Hub d. Digital Skills Partnership	12:05 - 12:25
10.	Any other business and date of next meeting • Forward Plan	12:25 - 12:30

26.5.2023

Item 7A

Governance Update



Item 7A

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 date change.
- **Agree** that the current LEP Interim Deputy Chair continues in the role as previously agreed by the Board.
- **Delegate Authority** to Paula Swain to nominate LEP Deputy Chief Executive Richard Jones as an Alternate Director on Solent Freeport Consortium Limited.

Background

This paper provides an update in relation to following areas:

- Annual General Meeting
- Skills Advisory Panel Terms of Reference
- Deputy Chair arrangements
- LEP representation on Solent Freeport
- Annual Performance Review

Update on Solent LEP AGM

Board Members will recall that arrangements for the AGM were considered by written resolution following the last board meeting. The resolution has passed and accordingly the LEP executive are working to finalise arrangements with the LEP Chair and Chief Executive. However, it has been flagged that the originally proposed date for the AGM clashed with the D-Day anniversary and, considering that many of the AGM attendees are likely to be required to attend various civic events associated with the anniversary, a revised date has been set for the morning of 11th July 2023. Board Members will receive the formal notice of the AGM shortly but in the interim are asked note the date change in their schedules.

Board Members are asked to:

- **Note** the update in relation to the AGM date change.

Skills Advisory Panel

Following the recent open recruitment round for new skills advisory panel members, a number of new private sector appointments have been confirmed, including Louise Govier, Chief

Executive of Artswork, and Nicola Youern, Director of HIVE Portsmouth. As part of the application round, a very strong application was received from Anita Esser, Head of Education at Southampton University Hospitals NHS Trust and it is recommended that the terms of reference are adjusted to enable the life sciences / health care representative to be drawn from either the private sector or the National Health Service - recognising that the sector has been identified as a priority within the LEPs skills plan and the NHS are a very significant employer in the area.

Board Members are asked to:

- **Agree** the update to the Skills Advisory Panel Terms of Reference at Annexe A.

Deputy Chair

Board Members will be aware that, at the Board meeting in July 2022, the Board agreed to delegate the responsibilities of the LEP Deputy Chair to Nick Loader, to take effect from the conclusion of the Solent LEP 2022 AGM and concluding upon appointment of a new Solent LEP Chair. As a new Solent LEP Chair has not been appointed, this decision remains in effect and all responsibilities of the Deputy Chair continue to be delegated to Nick Loader.

However, recognising the new context as a result of the Boards decision not to progress with the Chair recruitment, for completeness (and similar to the approach to the Chair role), it is recommended that the decision in relation to the Deputy Chair is also reconfirmed.

Board Members are asked to:

- **Agree** that the current LEP Interim Deputy Chair continues in the role as previously agreed by the Board.

Solent Freeport

Board Members will be aware that Paula Swain is the LEPs Core Director representative on the board of Solent Freeport Consortium Limited. The Freeport have recently updated their Articles of Association to enable core directors (including Paula) to nominate a formal standing alternate director. This provision will enable the alternate director to attend meetings or vote on written resolutions in the absence of the core director and will also ensure that the alternate has access to all meeting papers distributed to directors. In effect, this will enable the alternate director to participate in briefing the core director ahead of Freeport Board meetings. On this basis, it is recommended that a member of the executive team is nominated as an alternate director.

Board Members are asked to:

- **Delegate Authority** to Paula Swain to nominate LEP Deputy Chief Executive Richard Jones as an Alternate Director on Solent Freeport Consortium Limited.

Annual Performance Review

Further to the update at the last Board meeting, the Annual Performance Review Final Outcome for 2022/23 has now been received. A copy of the outcome notification is provided in the reference material folder. A verbal update will be provided at the meeting.

Legal comments

There are no direct legal implications to note by PCC Legal from the recommendations. The Solent LEP obtain legal advice regarding their company governance from Paris Smith so specific advice (e.g. in relation to delegated authority of directors) should be directed accordingly.

Financial comments from the S151 Officer of the Accountable Body

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

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Item 7A - Annexe A

A confidential report will be considered at the meeting

26.5.2023

Item 7B - Report from Governance Working Group

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

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Item 7C - Solent Cluster

A confidential report will be considered at the meeting

26.5.2023

Item 7D - Maritime UK Solent



Item 7D

Title: Governance Update - Maritime UK Solent
Date: 26 May 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

Regarding deferral of appointment of a consultant to prepare the annual independent evaluation report, PCC Procurement Services should be instructed with ample time to undertake a compliant procurement process in readiness for when services are required to commence.

Legal advice should be sought with regards to Maritime UK taking a more commercial approach going forward. Where PCC is required to act as Accountable Body, such commercial approach will need to be in accordance with the laws regarding local authority trading rules, etc.

If the £250,000 is being transferred from the Solent LEP to Maritime UK Solent, an appropriate audit trail should be put in place for this (e.g. funding agreement) and advice sought in terms of any subsidy control implications of such.

To note, the Business Plan at Annexe A has not been provided to PCC Legal Services at the time of writing these legal comments so has not been reviewed.

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.

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Item 7D - Annexe A - B

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

26.5.2023

Item 8 - Corporate Plan

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

26.5.2023

Item 4

Notes of meetings held on 31 March 2023



**SOLENT
LOCAL
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PARTNERSHIP**

Solent Local Enterprise Partnership Meeting of the Board of Directors

Held on Friday 31 March 2023 at 09:00 - 12:30 at DP World, 204 - 207 Western Docks, Southampton, S0151DA

Present	In Attendance
Anne-Marie Mountifield	Jack Elias (DLUHC)
Rachael Randall (Chair)	James Fitzgerald (Portsmouth City Council, as the Accountable Body)
Alex Rennie	Mike Harris (Chief Executive Southampton City Council for Satvir Kaur)
Graham Barnetson - via Teams	Nicola Twiddy (LEP Executive)
Jo Sawford - via Teams	Peter Baulf (Portsmouth City Council, as the Accountable Body)
Julie Jones Evans	Richard Jones (LEP Executive)
Nick Loader	Sam Warren (DLUHC)
Paula Swain	Stuart Baker (LEP Executive)
Steve Pitt	
Apologies	Guests
Brooke Hoskins	Phil Gibby, SW Area Director, Arts Council England
David Youngs	Adam Dent - Arts Council England
Edward Heron	
Graham Galbraith	
Salli Shapcott	
Satvir Kaur	

Item	ACTION
<p>1. Welcome and Introduction The Chair welcomed all to the meeting and roundtable introductions took place.</p> <p>Apologies for Absence Apologies were noted from Brooke Hoskins, David Youngs, Edward Heron, Graham Galbraith, Salli Shapcott and Satvir Kaur. Mike Harris, Chief Executive of Southampton City Council was attending on behalf of Satvir Kaur as a co-optee on the board for this meeting.</p>	

<p>2.</p>	<p>Presentation from Arts Council England (ACE) and the development of cultural compacts - Phil Gibby SW Area Director for ACE</p> <p>Stuart Baker gave an overview of the cultural sector and the case for a strategic approach to working with the sector.</p> <p>Phil Gibby and Adam Gent joined the meeting and gave a presentation about the work of Arts Council England (ACE), their investments & partnership working, the future opportunities and next steps. They outlined some of their key focus areas in</p> <ul style="list-style-type: none"> - Maximising talent development across the sector, - The importance of arts and culture in place making, - Celebrating the value of creative and culture nationally and internationally. <p>The Board noted that ACE also have a focus on areas with cultural deficit as well as cultural assets and 53 places have been identified across England including Portsmouth, Southampton, IOW and Gosport.</p> <p>ACE outlined the culture recovery fund and the opportunity to unlock growth. It was noted that there is a requirement to have a sub-regional economic development body in place to secure investment to support creative and cultural businesses and ACE indicated that they would like to work with the Solent sub-region.</p> <p>Alex Rennie joined the meeting (09:30)</p> <p>Following the presentations there was a discussion to explore the potential for Solent LEP to work with ACE to co-commission a Solent Investment Plan.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Noted the update. • Agreed that ACE and the Solent LEP executive would draft a specification for the commission to come back to the Board at the May 2023 meeting. <p>The Chair passed on the Board's thanks to Phil Gibby and Adam Gent for attending the meeting.</p> <p>Phil Gibby and Adam Dent left the meeting (09:55)</p>	<p>Executive</p>
<p>3.</p>	<p>Local Visitor Economy Partnerships (LVEPs)</p> <p>Julie Jones-Evans and Rachael Randall noted an interested in this item as Board Members for Visit IoW. Steve Pitt also declared an interest in this item.</p> <p>Anne-Marie Mountifield and Stuart Baker provided an update on the LVEPs and outlined the Visit England prospectus for LVEPs.</p> <p>There was a discussion on the alignment between the work on visitor economy and the opportunity to maximise the potential of the cultural and creative sector with a view to increasing visitor footfall.</p> <p>The Board agreed that the LEP could act as a convenor to bring partners together with a view to exploring options under which a LVEP could come forward for the sub region.</p> <p>Graham Barnetson and Jo Sawford left the meeting due to technical issues (10:00).</p> <p>Following a detailed discussion, The Board</p> <ul style="list-style-type: none"> • Noted the update. 	

	<ul style="list-style-type: none"> • Agreed that a call should be convened with local partners to look at next steps for a LVEP for the area. • Noted that work on the visitor economy will also be looked at within the work being undertaken with Arts Council England on creative and cultural sector. • Agreed to delegate authority to the Executive to continue discussions with Visit England regarding LVEPs. 	<p>Board/Executive</p> <p>Executive/ACE</p> <p>Executive</p>
<p>4.</p>	<p>HM Government Update</p> <p>Jack Elias provided the HM Government update as follows -</p> <ul style="list-style-type: none"> • Levelling up fund - Southampton's bid was successful. There will be a Round 3 of the Levelling up Fund, following a review of earlier rounds. • The Annual Performance Review outcome letters are expected to be issued in April. • Core funding for 2023/24 has been confirmed. • An Evidence gathering exercise is underway for all LEPs with information being submitted by 14 April 2023. • Growth Hub funding is being considered for next year. <p>Sam Warren provided a devolution update, advising that Ministers have welcomed the interest and proposals that have come through. DLUHC have started engagement with partners to look at forging a path forward and discussions continue to look at and develop out the options.</p>	
<p>5.</p>	<p>Notes of meeting held on 2 December 2022, 30 January 2023 and 24 March 2023</p> <p>The minutes from the Board meeting on 2 December 2022, 30 January 2023 and 24 March 2023 were Agreed.</p> <p>The following matters arising were raised:</p> <p><u>2 December 2022</u></p> <p>Page 2 - Investment Zones - a prospectus was published following the Spring Budget noting there is an opportunity for areas not announced in the first cluster, to enter discussion with Government. Executive will re-engage to see if partners would like to take forward.</p> <p>Page 4 - the 2023/24 Assurance Framework has been published.</p> <p><u>30 January 2023</u></p> <p>There are no matters arising to note.</p> <p><u>24 March 2023</u></p> <p>Page 2 - draft communication on the future integration of LEPs has been developed. It was advised that a team meeting has taken place following the Spring Budget.</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></p> <p>Item 2 - Maritime UK Solent Ltd Director</p>	<p>Executive</p>

	<p>Item 6 - Annexe J -Contract Variation for Hampshire & IoW Wildlife Trust Item 8b - Maritime UK Solent Item 8C - Proposals in relation to Governance (for noting only) General - Non-Executive Board Director for VIVID</p> <p><u>Edward Heron</u> Item 6 - Annexe J -Contract Variation for A326 and Stubbington Bypass</p> <p><u>Julie Jones-Evans</u> Item 6 - Annexe J - Contract Variation for Branstone Farm</p> <p><u>Graham Barnetson</u> Item 8b - Maritime UK Solent Decisions</p> <p><u>Rachael Randall</u> Item 10 - AOB re Chair Recruitment</p> <p><u>Richard Jones</u> Item 8C - Proposals in relation to Governance (for noting only)</p> <p><u>Stuart Baker</u> Item 2 - Maritime UK Solent Ltd Director Item 8b - Maritime UK Solent Decisions</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>7.</p>	<p>Corporate Plan 2023-2026 Graham Barnetson and Jo Sawford joined the meeting.</p> <p>Anne-Marie Mountifield gave a presentation on the Solent LEP Corporate Plan for 2023-2026 covering the potential evolution of Solent LEP, including branding considerations, the Vision, strategic objectives and Values. The corporate structure, financial budgets, conclusions and key considerations were also highlighted.</p> <p>Following the presentation, it was confirmed that the core work of the LEP as funded by HM Government, needs to continue in its current form under the Assurance Framework through to March 2024 as a minimum. Board members highlighted that the trusted brand of the Solent LEP is well regarded locally and that this needs to be considered as part of any consideration on brand development. The Board agreed the revised vision, purpose, and five missions and the supporting corporate structure. It was also agreed that a governance working group drawn from the board would be created to look at the options for developing this work further and that they would report back on this at the May meeting.</p> <p>Mike Harris left the meeting (12:00)</p>	

<p>The Board:</p> <ul style="list-style-type: none"> • Considered and Agreed the revised vision, purpose, missions and corporate structure for the new corporate plan (2023-2026) as set out in Annexe A and B; and • Supported the proposal to create a subgroup of the Board to work with the executive to shape the next version of the plan for the Board to consider in May 2023; and • Considered and Agreed version one of the Corporate Plan as a basis for developing a version 2 plan with financial forecasts for consideration at the May 2023 Board meeting. • Noted that the work on the website will be paused. This will come back to the Board for consideration in summer 2023; and • Agreed to delegate authority to the LEP Chair and Chief Executive to agree the evidence gathering exercise return to Government for submission on 14 April 2023. <p>Paula Swain left the meeting (12:47).</p> <p>Due to time constraints, the Board agreed that Item 8 would come back to the May Board Meeting.</p> <p><u>Solent Cluster</u></p> <p>An update was provided on Solent Cluster and the Cluster sequencing for the Track 2 Carbon Capture Usage and Storage competition that has just been launched by HM Government. It was noted that the expression of interest would need to be submitted by 28 April 2023 and the Board confirmed their strong support for the continuation of this work.</p>	<p>Board/Executive</p> <p>Chief Executive and Chair</p> <p>Board</p>
<p>6. Finance, Funding and Performance Management report</p> <p>The Finance paper was taken as read and James Fitzgerald provided an overview of the paper including details on the RRR Loan Fund.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Noted the update on the RRR Loan Fund at Appendix G and Agreed the recommendations contained within it. <p>Jo Sawford left the meeting (13:17)</p> <p>Further details on the EZ retained rates will come back to May board meeting.</p> <p><u>Project variation requests</u></p> <p>Julie Jones-Evans left the meeting for the decision in respect of Branstone Farm. Anne-Marie Mountfield left the meeting for the decision in respect of Hampshire and Isle of Wight Wildlife Trust.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Noted the range of project variation requests at Appendix J and Agreed the recommendations included within it. <p>Alex Rennie left the meeting.</p> <p><u>Equity Opportunity Update</u></p> <p>Stuart Baker provided an update on the equity opportunity and the development of a</p>	<p>Executive & AB</p> <p>Executive & AB</p>

	<p>framework to look at a portfolio of options.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Noted the Equity opportunity update at Appendix I and the supporting information in the reference folder and Agreed the recommendation to receive advice on a framework of options to come to the Board meeting in May for consideration. <p>The Board:</p> <ul style="list-style-type: none"> • Agreed 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, which include 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. • 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 paragraphs 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 Equity opportunity update at Appendix I and the supporting information in the reference folder and Agreed the recommendations included within it. <p>The Board also:</p> <ul style="list-style-type: none"> • Noted the Loan Fund update in paragraph 4. • Noted the CEC funding updates in paragraph 7 of the report. • Noted the update provided in respect of the Enterprise Zone retained rates MoU in Appendix H. • Noted the range of new funding that has been added to the financial forecasts as set out in paragraph 9. 	<p>Executive</p> <p>Executive & AB</p> <p>Executive</p>
<p>8. Governance Update</p>	<p>Due to time constraints at the meeting, it was agreed that item 8a would be considered as a written resolution and item 8b and 8c would be considered at the Board meeting in May 2023</p>	<p>Executive</p>
<p>9. General updates from Board Leads – for note</p>	<p>The update was taken as read and noted by the Board.</p>	
<p>10. Any other business</p>	<p>There was one item of further business and the board agreed that this would be considered via written resolution following the meeting.</p> <p>The next meeting is scheduled for 26 May 2023.</p>	<p>Executive</p>

	No further business, so the meeting was closed.	
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Meeting closed at 13:45

DRAFT

26.5.2023

Item 5

Finance and Funding Report

Item Number: 5
Item Title: Solent LEP Finance and Funding Report
Meeting Date: 26 May 2023
Purpose: For Information, Advice and Decision

1. Introduction

- 1.1 This report provides the Solent LEP Board with the final outturn position of all the LEP funds to the end of the 2022/23 financial year against the final revised budget and the forecast budget for the period up to and including 2025/26.
- 1.1 The opening budgets are as approved at the LEP Board meeting on 31 March 2023 and the report sets out the final outturn for the 2022/23 financial year which includes the latest positions of the two major funding programmes, the Local Growth Deal and the Getting Building Fund.
- 1.2 The report explains any major variances and or reprofiling as well as the key risks for the LEP Board 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.

2. Recommendations

2.1 It is recommended that the LEP Board:

- (i) **Approve** the final outturn in 2022/23 of £7,205,204 as set out in Appendix A
- (ii) **Consider** and **Approve** the revised budget for the period 2023/24 to 2024/25 as set out in Appendix B
- 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.

The LEP Board are also asked to:

- **Note** and **Agree** the Corporate and Strategic Risk Register attached at appendix C.
- **Consider** the high-level Risk Matrix for the Local Growth Programme attached at appendix F and delegate its **Approval** to the LEP Deputy Chief Executive and the Accountable Body's section 151 officer.
- **Note** the project specific updates by exception in paragraph 4.3 below.
- **Note** the update on Equity Funding opportunities under paragraph and **Agree** to pause work on the development of a new Loan Funding product pending consideration of this.
- **Consider** the update on the RRR loan fund projects at Appendix G and **Agree** the recommendations contained within it.
- **Consider** the update under paragraph 5 and in appendix H provided by KPMG on Equity Opportunities and provide **Advice** to the Executive to take forward this work.
- **Note** the update on the new funding in paragraph 8.
- **Note** the update on the LEP Corporate Plan in paragraph 9, including the proposed new reporting dashboard that will be considered under Item 8 of the agenda.
Consider the update under paragraph 6 and provide **Advice** to the Executive to take forward this work

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 31 March 2023 is set out in table 1 below.

	Previous Years to 2021/22 £000's	Actual 2022/23 £000's	Forecast 2023/24 £000's	Forecast 2024/25 £000's	Total £000's
Budget Agreed at LEP Board on 31 March 2023	234,080	7,344	28,317	5,940	275,681
Growth Hub funding for 2023/24			298		298
CEC Funding for Academic Year 2023/24			194	139	333
CEC LEP Match Funding			79	56	135
Release of LEP allocation for Growth Hub funding			(250)		(250)
Released LEP allocation for Growth Hub funding transferred to contingency			250		250
Estimated interest on balances for 2022/23			614		614
GPL Reprofiting			(5,277)	5,277	0
LGD Reprofiting		(12)	(3,972)	3,984	0
GBF Reprofiting		(3)	3		0
LGD / GBF Loans Reprofiting			(3,615)	3,615	0
LGD / GBF Loans - Programme Management Costs reprofiling		(29)	29		0
Reprofiling of contingency / Reserves		(26)	(53)	56	(135)
Operational and Capacity costs reprofiling		(46)	46		0
Growing Places Loan fund reprofiling		(17)	17		0
Skills reprofiling		(12)	12		0
Miscellaneous minor adjustments		6	(6)		0
Revised Budget	234,080	7,205	16,686	18,955	276,926
Cumulative Net GPL Fund Reserve Balance (see appendix D for details)		13,735	8,636	0	

4. Final Outturn for 2022/23

- 4.1 The final outturn for the 2022/23 financial year is, as expected, much as reported at the Board meeting on 31 March 2023 with the exceptions being some minor underspends on the operational, capacity, and programme management budgets. The LEP Executive charged a significant amount of staff time to external sources such as the Solent Freeport and as a result the operational and programme management budgets were less than the levels originally budgeted and have therefore been reprofiled into 2023/24.

Overall, the LEP has again performed strongly during this financial year to ensure that the major projects and programmes have defrayed a significant level of funding and it is expected that the remaining major projects will reach practical completion in 2023/24. Similarly, the Growth Hub, Enterprise Advisor, and Skills Advisory Panel activities that are provided with annual funding have maximised the resources allocated for the operation and delivery.

4.2 Local Growth Deal and Getting Building Fund

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 very final payments for the large multi-year transport schemes which are approaching completion and the remaining loan funding.

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 track the progress of the remaining projects.

4.3 **Specific Project Updates by Exception**

At the FPPMG meeting on 20 April a number of project leads attended and gave presentations resulting in further actions which the Executive are worked with the scheme leads to bring to conclusions. This work is still in progress and a verbal update will be provided at the meeting.

The updated positions for each of these projects have been updated accordingly in the risk register at Appendix F and the LEP Board are asked to consider these and **Approve** the associated recommendations.

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 confidential Appendix G. Board members are asked to consider this paper and **Agree** the recommendations contained within it.

5. **Equity Update**

Following the discussion at the LEP Board meeting on 31st March 2023, the LEP commissioned KPMG to provide advice to the LEP on the opportunities and risks associated with a range of investment mechanisms the LEP could utilise with the aim of returning a net contribution to work of the LEP.

KPMG will attend the Board meeting and present their findings and recommendations for consideration by the Board. A report is provided as appendix H.

The Board are asked to consider the advice and recommendations and provide advice to the Executive to take forward this work.

The Board are reminded that the development of a new Loan Fund is paused pending consideration of this wider advice. On this basis, the Growing Places Loan Fund and LGD / GBF Recycled loan funding budgets have been reprofiled across future years. Should the Board wish to revisit a new loan fund then a proportion of this funding can be brought back into 2023/24.

6. **Growing Places Loan Funding earmarked for Solent Freeport Projects**

The Board are reminded that a provision of £5m was made in October 2022 from the Growing Places Loan Fund to potentially support Solent Freeport Projects. Pending advice from the Board, it is recommended that the LEP Executive provide a follow up letter to establish the Solent Freeport's position on the loan offer and release the earmark on the funding if it is no longer required.

The LEP Board are also asked to:

- Consider the update under paragraph 6 and provide advice to the Executive to take forward this work

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

The LEP received a letter of comfort in March 2023 as the CEC are progressing the Grant agreement with The Department of Education (DfE) and the grant offer letter was received on 24 April 2023. The maximum funding available is £272,335 and the LEP is required to provide match funding of £135,445. In addition there is an additional £61,100 available to support hub delivery. The offer will be accepted in full and the budget reflects this and the match funding commitment. The LEP are working in Partnership with Business South's Maritime Transport and Logistics Group

(MTAG) to create a shared role. Funding will be drawn down from the existing 2022/23 contract and match funding will be provided by MTAG for a 2-year fixed term FTE.

8. Enterprise Zone

KPMG have been commissioned to provide an update on this work and the progress to date will be presented at the meeting under item 6 of the agenda.

9. New Funding

Since the last Board meeting, the LEP has received additional funding from the following sources:

Solent Growth Hub

The LEP received a letter from the Department for Business and Trade on 29 March confirming that the Solent LEP has been awarded £298,250 of funding for 2023/24 which is an increase of £30,000 from the previous year. As this funding is only confirmed on an annual basis the board agreed some time ago to allocate £250,000 per annum of its own resources to provide certainty to the staff and the ongoing deliverability of this important service.

Due to the fact that government have confirmed funding for 2023/24, the £250,000 that the LEP has allocated can be released and this sum has been added to the reserves budget line for direction of the Board.

Interest on Balances

The Accountable Body continues to invest the funding received from Government until it is required by projects through the claims process in order to earn interest that can then be used by the LEP to underwrite activities directed by the Board. The Accountable Body has reviewed current forecasts and the LEP has earned another £613,500 in interest on balances for the financial year 2022/23. The additional income has been added to the budget forecasts and included in the three-year corporate plan discussed in paragraph 9 below.

Careers Enterprise Company

As set out in section 6 of this report Solent LEP has received the grant offer letter for the academic year 2023-24 which includes £272,335 funding to support CEC staffing and £61,100 to support hub delivery.

10. Three Year Corporate Plan / Financial Dashboard

The LEP board agreed in principle at its meeting on 31 March to a new three-year Corporate Plan and an initial budget under the proposed new model is attached at appendix B of the Item 8 agenda papers and this will be discussed in more detail under this item.

It is crucial that the LEP moves forward with a sustainable budget and the initial three-year Corporate Plan budget that is being reported under item 8 includes a three-year rolling budget out to 31 March 2026 that is fully funded. As part of this work, Board members will see that the LEP Executive and Accountable Body have set out other potential future sources of funding that may be available going forward and have RAG rated each of these as alternative income sources as the LEP begins to move away from previous traditional sources of government funding following the spring budget announcement.

Alongside this a new financial dashboard has been created and is attached at appendix C of Item 8.

Feedback from FPPMG members was to simplify the financial reporting that has traditionally been presented to the FPPMG and the LEP Board there it is proposed that this new financial dashboard will be the main reporting tool with the detailed budgets still available for further scrutiny as appropriate.

The financial dashboard will continue to be developed following further work by the Accountable Body and LEP Executive and importantly feedback from the LEP Board.

11. Operational Costs / Core Funding

The LEP Executive and the Accountable Body are continuing to model the operational resources that form part of the proactive three-year rolling budget which enables the Board to be able to make strategic decisions about the ongoing resilience of the LEP particularly at present where the LEP is transitioning to a new Corporate Plan.

The Board have been made aware for some time that traditional levels of funding from Government to support staffing have started to reduce so 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, scenarios around a revised operational model will be presented to SERCOM in June.

12. Financial Summary

The final outturn 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 is playing an important role in the discussions around the future delivery model of both core LEP and wider services.

The Accountable Body are continuing to work 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 which is set out in the proposed new financial dashboard as referred to in this report.

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

Legal Comments 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*	Final Outturn Position up to 31 March 2023	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	24,000	23,657	(343)	(343)	0	0
ERDF BTG - Awards (ERDF Funded)	0	0	0	0	0	0
ERDF BTG - Awards (LGD Match Funded)	0	0	0	0	0	0
Natural Enterprise - Grant Programme	0	(23,511)	(23,511)	(23,511)	0	0
Natural Enterprise - Rural Resilience (COVID19 Response)	0	0	0	0	0	0
Other Enterprise Initiatives:						
Solent Growth Hub	268,250	268,542	292	0	292	0
Peer Networks	0	3,700	3,700	0	3,700	0
EU Transition	0	0	0	0	0	0
Pay It Forward - Micro / Small Business Support (Revenue)	5,000	5,000	0	0	0	0
ERDF Restart and Recovery, and Kickstarting Tourism Grant Fund	0	0	0	0	0	0
Enterprise Total	297,250	277,388	(19,863)	(23,855)	3,992	0

Infrastructure (Land & Property)	Full Year Budget 2022/23*	Final Outturn Position up to 31 March 2023	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	0	0	0	0	0	0
GPL - Prosperity Fund Loans	0	0	0	0	0	0
GPL - SME Loans	0	0	0	0	0	0
Recycled Growing Places Loan Fund for re-allocation	0	0	0	0	0	0
Growing Places Loan Fund: Capital Loans Advanced	0	0	0	0	0	0
GPL Contingency Provisions and Programme Management costs						
Growing Places Loan Fund Programme Management Costs	125,395	108,119	(17,276)	(17,276)	0	0
Sub-total: GPL Contingency Provisions and Programme Management costs	125,395	108,119	(17,276)	(17,276)	0	0
Solent Growth Deal:						
The Hard Interchange (PCC)	0	0	0	0	0	0
Dunsbury Hill Farm Link Road (PCC)	0	0	0	0	0	0
Station Quarter North (SCC)	0	0	0	0	0	0
Station Roundabout / Gudge Heath Lane (HCC)	0	0	0	0	0	0
Cancer Immunology Centre	0	0	0	0	0	0
Environmental Mitigation - Solent Mitigation Disturbance project	0	0	0	0	0	0
Peel Common Roundabout and St Margaret's Roundabout	0	0	0	0	0	0
Newgate Lane South	0	0	0	0	0	0
Fareham and Gosport multiyear programme (A27 Dualling - phase 2)	0	0	0	0	0	0
Fareham and Gosport multiyear programme (A27 Dualling)	0	0	0	0	0	0
Solent Gateways (Isle of Wight Floating Bridge)	0	0	0	0	0	0
Solent Gateways (East Cowes and Trafalgar Dock)	0	0	0	0	0	0
North Whiteley Transport Improvements	600,000	606,067	6,067	0	6,067	0
Local Large Major transport schemes and infrastructure investment	0	0	0	0	0	0
BAE Marine Workshops and Maritime Support Centre	0	0	0	0	0	0
Regeneration Investment to unlock sites for growth	0	0	0	0	0	0
Programme Development Fund (feasibilities)	0	0	0	0	0	0

Solent Accelerated Housing Delivery Project	0	0	0	0	0
Solent Growth Deal - Programme Management Costs	122,508	131,391	8,883	0	8,883
Stubbington Bypass - LGD forward funding	0	0	0	0	0
A326 Highway Improvements	2,233,488	2,233,488	(0)	(0)	0
IOW Island Line - Brading Loop	0	0	0	0	0
University of Portsmouth - Centre for Creative and Immersive XR	0	0	0	0	0
COVID-19 Loan Fund	0	0	0	0	0
Fareham College FE Capital Transformation Loan	0	0	0	0	0
Southsea Coastal Defences	0	0	0	0	0
ABP - Shore Power Initiative	0	0	0	0	0
M27 J10 - Business Case progression	0	0	0	0	0
Solent Build Back Greener Loan Fund	0	0	0	0	0
LGD funding indicatively earmarked for projects in future years	0	0	0	0	0
LGD recycled loan funding	0	0	0	0	0
(Over) / Under Programming	0	0	0	0	0
Sub-total - Local Growth Deal	2,955,996	2,970,946	14,950	(0)	14,950
DfT Retained Schemes					
Stubbington Bypass	827,475	827,475	(0)	(0)	0
Stubbington Bypass - Programme Management Costs	18,084	15,210	(2,874)	(2,874)	0
<i>Growth deal provisional allocation for M27 Junction 10 (post 2016)</i>	0	0	0	0	0
Sub-total - DfT Retained Schemes	845,559	842,684	(2,875)	(2,875)	0
Getting Building Fund					
Port of Southampton Cruise Terminal	0	0	0	0	0
Enzyme Recycling Techniques - Building an Industrial Engagement Hub	150,000	150,000	0	0	0
Fawley Waterside Digital	475,000	475,000	0	0	0
Branstone Farm Rural Employment Hub	529,844	529,844	0	0	0
HIWWT - Nutrient Mitigation Programme	0	0	0	0	0
University of Southampton - Centre for Electronics Frontiers	0	0	0	0	0
Maritime Innovation Hub	55,000	52,498	(2,502)	(2,502)	0
Portsmouth International Port - Provision of Border Control Post	0	0	0	0	0
Programme Management	0	0	0	0	0
GBF Recycled Loan Funding	0	0	0	0	0
Recycled LGD / GBF Loans - Programme Management Costs	100,000	70,914	(29,086)	(29,086)	0
Sub-total - Getting Building Fund	1,309,844	1,278,256	(31,588)	(31,588)	0
Other Capital Funding Programmes:					
Building Foundations for Growth Capital Grant for EZ	0	0	0	0	0
Centenary Quay (DCLG Infrastructure House Building Capital Fund)	0	0	0	0	0
Other Infrastructure Funding:					
Capacity funding	73,669	48,053	(25,616)	(25,616)	0
One Public Estate	0	0	0	0	0
Transport Delivery Excellence Funding	0	0	0	0	0
Energy strategy	1,029	1,029	0	0	0
Infrastructure (Land & Property) Total	5,311,492	5,249,088	(62,404)	(77,354)	14,950

Place	Full Year Budget 2022/23*	Final Outturn Position up to 31 March 2023	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
Place Total	0	0	0	0	0	0

Skills	Full Year Budget 2022/23*	Final Outturn Position up to 31 March 2023	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	0	0	0	0
Capacity funding	0	0	0	0	0
Solent Employer Ownership Programme	0	0	0	0	0
Careers Enterprise Company / Enterprise Adviser Network	421,639	412,811	(8,828)	(8,828)	0
Skills Advisory Panels	55,256	55,006	(250)	(250)	0
Digital Skills Partnership	20,000	16,974	(3,026)	(3,026)	0
Skills Total	496,895	484,791	(12,104)	(12,104)	0

Strategic Sectors	Full Year Budget 2022/23*	Final Outturn Position up to 31 March 2023	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
Southampton Solent University - Warsash School of Maritime Science and Engineering	0	0	0	0	0	0
Maritime UK Solent	300,000	300,000	0	0	0	0
Capacity Funding	4,780	4,780	0	0	0	0
Solent Cluster	4,000	6,452	2,452	0	2,452	0
Solent Freeport 21/22 Contribution	0	0	0	0	0	0
Strategic Sectors Total	308,780	311,232	2,452	0	2,452	0

Innovation	Full Year Budget 2022/23*	Final Outturn Position up to 31 March 2023	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	30,932	(4,633)	(4,633)	0	0
Innovation Total	35,565	30,932	(4,633)	(4,633)	0	0

Operational Central Costs	Full Year Budget 2022/23*	Final Outturn Position up to 31 March 2023	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	425,000	435,200	10,200		10,200	0
Office costs	45,000	37,031	(7,969)	(7,969)	0	0
Finance costs including forecast costs for Democratic Services for future years	100,000	100,438	438		438	0
Legal support	60,000	61,825	1,825		1,825	0
Marketing & Communication costs	80,000	117,900	37,900		37,900	0
Contingency / Reserves	25,923	0	(25,923)	(25,923)	0	0
Solent 2050	136,734	92,379	(44,355)	(44,355)	0	0
SEEDA legacy funding for business engagement	0	0	0	0	0	0
LEP Network / Catalyst South	21,256	7,000	(14,256)	(14,256)	0	0
Operational Central Costs Total	893,913	851,773	(42,141)	(92,503)	50,363	0

Total LEP Budget	7,343,895	7,205,204	(138,693)	(210,449)	71,757	0
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* As agreed at LEP Board 31 March 2023

SOLENT LOCAL ENTERPRISE PARTNERSHIP - BUDGET FORECAST TO 2024/25

ENTERPRISE (BUSINESS SUPPORT)	Actual Expenditure to end 2021/22	Outturn 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	23,657	402,247	200,000	839,968	839,968	-
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	(23,511)	-	-	1,456,489	1,456,489	-
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	268,542	342,958	250,000	3,079,677	3,079,677	-
Peer Networks	343,003	3,700	-	-	346,703	346,703	-
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	277,388	992,193	450,000	17,451,345	17,451,345	-
INFRASTRUCTURE (Land & Property)	Actual Expenditure to end 2021/22	Outturn 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	-	-	-	7,136,208	7,136,208	7,136,208	-
Growing Places Loan Fund: Capital Loans Advanced / Available	13,000,000		5,000,000	8,562,916	26,562,916	26,562,916	-
Use of Fund for other Purposes (not repayable):							
- Growing Places Loan Fund Programme Management Costs	374,751	108,119	177,130	140,000	800,000	800,000	-
Growing Places Loan Fund: Fund used and not repayable	374,751	108,119	177,130	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	606,067	2,619,687	-	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	131,391	-	-	2,216,261	2,216,261	-	
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	-	-	1,000,000	3,984,409	4,984,409	4,984,409	-	
LGD recycled loan funding	-	-	-	2,650,000	2,650,000	2,650,000	-	
SUB TOTAL: Solent Growth Deal:	85,830,771	2,970,946	4,607,847	6,634,409	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	15,210	2,874	-	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	842,685	852,848	-	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	-	52,498	1,197,502	-	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	-	-	-	1,900,000	1,900,000	1,900,000	-	
Recycled LGD / GBF Loans - Programme Management Costs	-	70,914	79,086	50,000	200,000	200,000	-	
Sub-total - Getting Building Fund	13,950,156	1,278,256	1,276,588	1,950,000	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	48,053	98,616	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	5,249,088	12,430,812	17,360,325	191,764,760	191,764,760	-	

PLACE	Actual Expenditure to end 2021/22	Outturn 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	Outturn 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	412,811	617,315	195,367	2,605,829	2,605,829	-
Skills Advisory Panels	224,744	55,006	250	-	280,000	280,000	-
Digital Skills Partnership	-	16,974	72,026	-	89,000	89,000	-
Skills Total	30,461,297	484,791	689,591	195,367	31,831,046	31,831,046	0

STRATEGIC SECTORS	Actual Expenditure to end 2021/22	Outturn 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	-	6,452	53,548	-	60,000	60,000	-
Solent Freeport 21/22 Contribution	50,000	-	-	-	50,000	50,000	-
Strategic Sectors Total	15,849,418	311,232	303,548	0	16,464,198	16,464,198	-

INNOVATION	Actual Expenditure to end 2021/22	Outturn 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	30,932	39,633	-	165,000	165,000	-
Innovation	8,382,953	30,932	39,633	0	8,453,518	8,453,518	0

OPERATIONAL CENTRAL COSTS	Actual Expenditure to end 2021/22	Outturn 2022/23	Budget 2023/24	Budget 2024/25	Total Budget	Total Forecast Expenditure	Variance
Staffing costs	2,829,941	435,200	389,800	250,000	3,904,941	3,904,941	-
Office costs	743,445	37,031	67,969	60,000	908,445	908,445	-
Finance costs incl forecast costs for Democratic Services for future years	648,599	100,438	54,562	10,000	813,599	813,599	-
Legal support	423,138	61,825	38,175	-	523,138	523,138	-
Marketing & Communication costs	596,230	117,900	102,100	60,000	876,230	876,230	-
Contingency / Reserves	-	-	1,468,713	569,623	2,038,336	2,038,336	-
Solent 2050	1,283,283	92,379	94,355	-	1,470,017	1,470,017	-
SEEDA legacy funding for business engagement	-	-	-	-	0	0	-
LEP Network and Southern LEP's (Catalyst South)	71,000	7,000	14,256	-	92,256	92,256	-

Operational Central Costs Total	6,595,636	851,773	2,229,930	949,623	10,626,962	10,626,962	-
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LEP BUDGET GRAND TOTAL	Actual Expenditure to end 2021/22	Outturn 2022/23	Budget 2023/24	Budget 2024/25	Total Budget	Total Forecast Expenditure	Variance
	234,080,250	7,205,205	16,685,707	18,955,315	276,926,477	276,926,477	-

FUNDING SUMMARY	Actual Expenditure to end 2021/22	Outturn 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	842,684	1,040,911	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	2,971,091	4,990,033	3,984,409	40,600,000
LGD Loan recycled funding	-	35,456	39,544	2,675,000	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	268,542	342,958	-	2,754,500
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	538,990	875,690	-	-	1,414,679
Growing Places Fund - Capital	15,896,147	108,119	5,099,028	8,635,917	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	346,888	405,418	138,931	1,895,385
Enterprise Advice Network - Matched Funding (Interest Earned)	353,463	65,923	211,897	56,435	687,718
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	-	0	2,548,815	1,339,623	3,888,438
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	55,006	250	-	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)	-	16,974	72,026	-	89,000
Solent Cluster Funding (ExxonMobil)	-	-	30,000	-	30,000
Solent Freeport (MIH)	-	-	400,000	-	400,000
Getting Building Fund	13,950,157	1,207,342	797,501	-	15,955,000
Getting Building Fund - Recycled Loan Funding	-	35,457	39,543	1,925,000	2,000,000
Grant Total - Funding	234,080,251	7,205,202	16,685,707	18,955,315	276,926,476

Growing Places Fund - Forecast Reserve for Future Projects	Outturn 2022/23	Budget 2023/24	Budget 2024/25
Net Cumulative Growing Places Reserve Forecast - see appendix D for details	13,734,944	8,635,915	-

TOTAL FUNDING TO SUPPORT LEP ACTIVITY	276,926,476
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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)	(13,734,944)	(8,635,915)	
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	108,119	99,029	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												7,136,208	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	108,119	5,099,029	8,635,916	29,739,211
Loans repaid (Capital Receipts)													
<u>Round 1</u>													
CEMAST		(300,000)	(575,000)	(800,000)	(1,325,000)								(3,000,000)
Solent EZ Infrastructure package		(850,000)	(3,950,000)					(3,200,000)					(8,000,000)
Griffon Hoverwork				(400,000)	(800,000)	(800,000)	0						(2,000,000)
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)	(13,734,944)	(8,635,915)	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)	(5,774,821)	(6,228,485)	
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											1,000,000	3,984,409	4,984,409
Recycled Loan Funds available for reallocation									0	0	0	2,650,000	2,650,000
Programme Management costs										44,339	39,544	25,000	108,883
Sub-total: Loans Advanced	0	0	0	0	0	0	0	2,425,000	325,000	44,339	1,039,544	6,659,409	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)	(5,774,821)	(6,228,485)	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	(464,543)	(1,425,000)	
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												1,900,000	1,900,000
Programme Management Costs										35,457	39,543	25,000	100,000
Sub-total: Loans Advanced	0	0	0	0	0	0	0	0	2,000,000	35,457	39,543	1,925,000	4,000,000
Loans repaid (Capital Receipts)													
HIWWT - Nutrient Mitigation Programme										(500,000)	(1,000,000)	(500,000)	(2,000,000)
Sub-total: Total Planned Fund Repayments	0	0	0	0	0	0	0	0	0	(500,000)	(1,000,000)	(500,000)	(2,000,000)
TOTAL CUMULATIVE BALANCE OF FUND AVAILABLE								(2,000,000)	0	(464,543)	(1,425,000)	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 **	Actual 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	149	570,247	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	131,391	-	-	2,216,260
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	15,210	2,874	-	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	606,067	2,619,687	-	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	-	-	-	-	-	-	-	-	1,000,000	3,984,409	4,984,409
SUB-TOTALS:	38,833,432	37,807,314	8,312,999	7,804,531	12,962,743	38,201,084	19,306,027	3,813,780	6,030,942	4,184,409	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	3,813,780	6,030,942	4,184,409	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	3,813,780	6,030,942	4,184,409	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	842,685	852,848	-	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	2,971,095	5,178,094	4,184,409	-
TOTALS:	39,833,432	37,807,314	8,312,999	7,804,531	12,962,743	38,201,084	19,306,027	3,813,780	6,030,942	4,184,409	178,257,261

SOLENT LOCAL ENTERPRISE PARTNERSHIP - GETTING BUILDING FUND					
SCHEME NAME	Actual 2020/21 *	Actual 2021/22 **	Actual 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	475,000	-	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	-	-	52,498	1,197,502	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	1,207,342	1,197,502	16,355,000
FUNDING AGREED / INDICATIVE ALLOCATIONS					
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)	1,207,342	797,502	-
TOTALS:	7,368,044	6,582,112	1,207,342	1,197,502	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. Includes year end accruals made for grant claims received in 22/23 but not paid. Total accruals made £2,371,903

APPENDIX F

Project Risk Status Matrix

A confidential report will be considered at the meeting

APPENDIX G

RRR Loan Update

A confidential report will be considered at the meeting

26.5.2023

Item 6

Solent Enterprise Zone



Item: 6
Title: Solent Enterprise Zone
Date: 26 May 2023
Purpose: For information and decision

1. Draft Resolution:

The Board is asked to:

- **Consider** the presentation from KPMG; and
- **Note** the updated retained rates forecast; and
- **Agree** the proposed Enterprise Zone governance arrangements as set out in the MOU, including the establishment of the Solent Enterprise Zone Strategic Partnership Group
- **Review** and **Agree** the MOU as a final draft document for signature with the accountable body and rating authorities; and
- **Agree** the recommendation to develop a retained rates investment plan.

2. Summary

KPMG have been engaged to develop an MOU between the Solent LEP, PCC and the Ratings Authorities to govern the use of the rates growth. This includes:

- a. Strategic objectives of the retained rates pool and criteria projects must meet to be eligible for funding
- b. Refreshing the forecast of rates growth across the four different sites within the EZ
- c. Governance arrangements – including how investment decisions against rates are made

The draft MOU is attached in Annexe A and at the meeting KPMG will provide an overview of the work including next steps. It should be noted that an initial draft MOU was shared with the rating authorities, the Accountable Body and Solent LEP and this final draft will now be considered for approval by all and an update on this and the new retained rates forecast will be provided at the meeting.

The board may wish to note that many of the Enterprise Zones are revising their existing MOU's and supporting governance to reflect the following:

- National assurance framework requirements on LEP accountability for Enterprise Zone policy and delivery; and
- Existing requirements for the Accountability and Rating Authorities in relation to the Enterprise Zone; and
- Precedent from the existing funding agreement that Solent LEP and Fareham Borough Council have entered into in relation to the retention of business rates on Solent Enterprise Zone; and
- Guidance from DLUHC on the future role of LEPs which suggests that there will be a continuing need for accountability and reporting on the Enterprise zone, including monitoring and evaluation of the retained rates investment; and
- The new guidance that has been published by HM Government on the English Devolution Accountability Framework

A copy of the presentation from KPMG is attached in the reference folder for review.

The board are asked to:

- **Consider** the presentation from KPMG; and
- **Note** the updated retained rates forecast; and
- **Agree** the proposed Enterprise Zone governance arrangements as set out in the MOU, including the establishment of the Solent Enterprise Zone Strategic Partnership Group
- **Review** and **Agree** the MOU as a final draft document for signature with the accountable body and rating authorities; and
- **Agree** the recommendation to develop a retained rates investment plan.

3. Equality Impact Assessment (EIA)

An EIA is not required at this stage. Any considerations contained within the Enterprise Zone report 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

To follow

5. S151 Officer of Finance Comments

There are no specific financial implications arising from this report to the Board.

The Accountable Body will, as set out in the proposed MoU, provide input into the development and refreshment of investment plan alongside the rating authorities and the Solent LEP.

As it stands at present the rating authorities will, working with the Solent LEP Board and the Accountable Body, be responsible for deciding whether to borrow against the retained rates income or enter into an agreement with a third party to do so.

Unless the rating authorities ask the Accountable Body to undertake any borrowing on their behalf, all of the financial risk remains with them. If the Accountable Body are asked to consider taking any borrowing against the retained rates, a full due diligence process will be undertaken for each instance and the Accountable Body would only proceed if they were satisfied with any risk they may be exposed to.

26.5.2023

Item 6 - Annexe A

A confidential report considered at the meeting

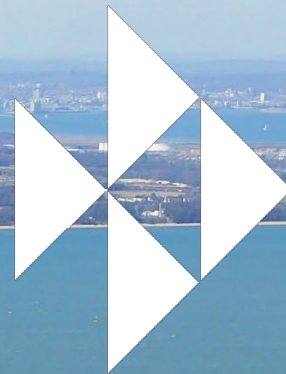
26.5.2023

Item 9

General Updates

Item 9 General update

26th May 2023



SOLENT
LOCAL
ENTERPRISE
PARTNERSHIP



General update for information

Decarbonisation and Climate Change Adaptation

- The Solent Cluster

Enterprise and Skills:

- Solent LEP Growth Hub
- Solent LEP Careers Hub
- Digital Skills Partnership
- Skills Boot camps



- Public -

Decarbonisation and Climate Change



The Solent Cluster

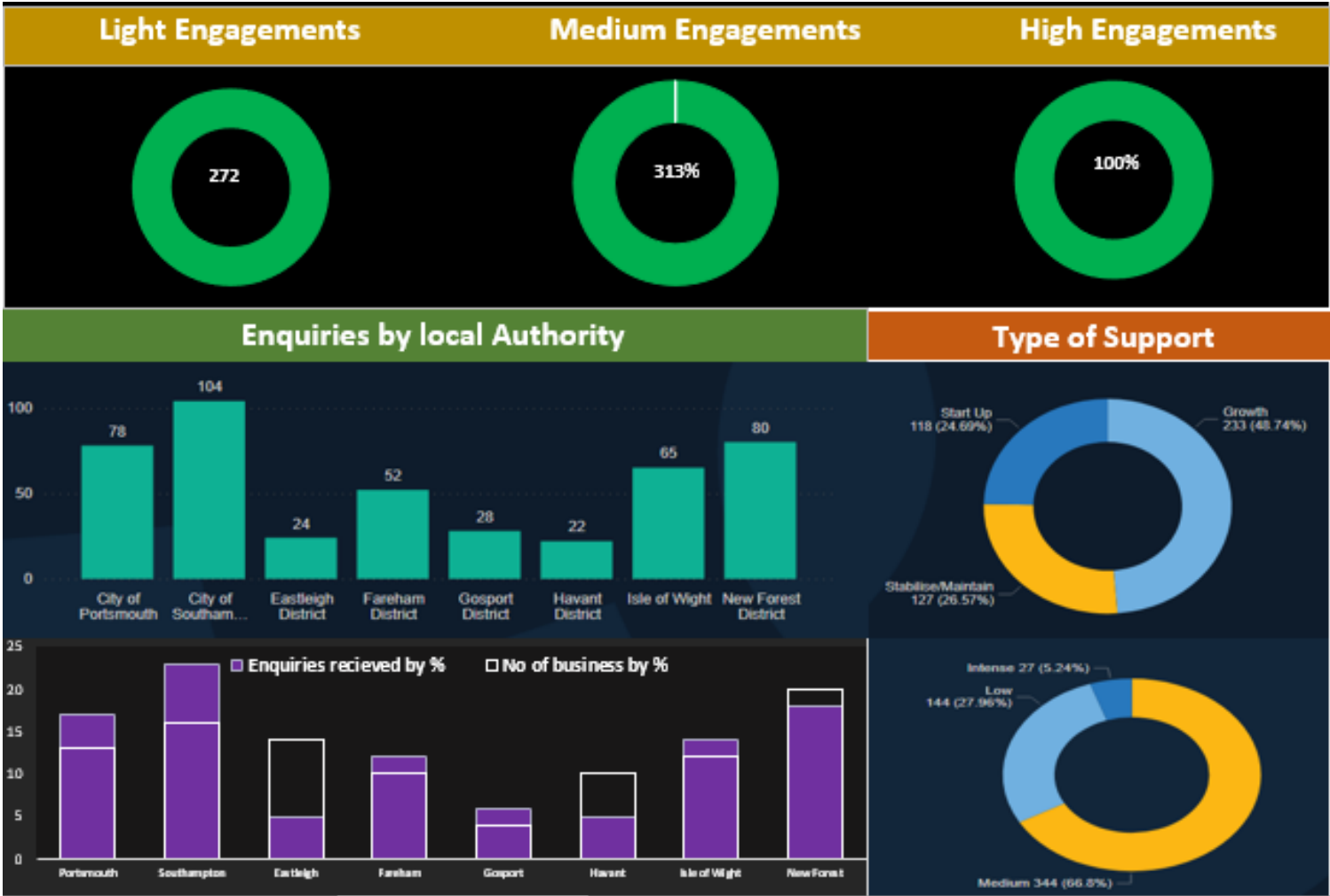
- The Solent Cluster now has over 65 members
- Work is progressing on formalising The Solent Cluster, as set out in item 7.
- An EoI to the Track 2 Cluster Sequencing for Carbon Capture Usage and Storage (CCUS) was submitted by ExxonMobil to DESNZ by the deadline of 28th April.
- Lobbying to raise awareness of the opportunity that The Solent Cluster presents is taking place, including engagement with local MPs, Ministers, the Government's Hydrogen Champion (Jane Toogood) and the CCUS community.
- Future events under development including:
 - Attendance at [Innovation Zero Conference](#) – May 2023 to include key note from Anne-Marie, and panel discussion to include LEP, ExxonMobil, SGN, and UoS
 - UoS hosted event to promote The Solent Cluster
- Interviews and surveys of members taking place.
- Collateral continues to be developed including a promotional video: <https://youtu.be/1Ejo46lnCqI>.



Enterprise and Skills



Solent LEP Growth Hub



- All contractual KPI's have been met/exceeded.
- Good split of enquiries per Local Authority across the Solent.
- General enquiries still remain strong. 66 enquiries in March compared to 54 February, 39 January.
- Funding letter has been received for 2023/24, awaiting the Grant offer letter to detail delivery plans.
- Fareham Borough Council Start up launchpad due to go live in May. All places filled.
- Havant growth programme due to start recruiting in May (post election).
- Working collaboratively with Careers team to deliver Apprenticeship and technical pathways fund. Balfour Beatty, BAE, Teemill and UoS all engaged. Hackathon planned for July23.



Solent LEP Careers Hub

- Grant offer letter received for 2023/24.
- New Employer Engagement Enterprise Co-Ordinator post is live. Closing date is 22nd May and interview will take place in early June. This is a shared post with co-funded by a consortium of transport and logistics businesses with 50% of the role focussed on promotion of careers in this key local sector.
- Enterprise Coordinator shared post holder on the IOW is leaving to undertake a new role.
- Co – funding from Southampton City Council, Portsmouth City Council and Hampshire County Council has been secured for 2023/24.
- Enterprise Advisor (EA`s) recruitment remains on an upward trajectory. Currently we have 50 EA`s in the Solent Careers Hub.
- Establishments engaged is up from 77 to 94. Gatsby Benchmarks (GBM) achievement has increased by 16% with latest termly Compass upload at 90%, Solent`s highest ever. GBM1 is being achieved by 56% establishments up from 31% however target is 80%.
- Teacher encounters funding has gone live. Employer such as BAE and Willmott Dixon have pledged placements. Teachers will start to access placements in June following GCSE`s.
- Primary funding Wave 2 – due come in Sep 2023. Portsmouth and IOW are DfE target areas. Target is to engage 75 out of 84 primary establishments – and support employer encounters to upskill teachers within local industries.
- Solent Cornerstone group, which includes South West Rail, Southern co-op, BAE, NHS, Airbus, GKN, are focused on inclusive recruitment and retention for hard to reach candidates, breaking down barriers and to improve ways to enter employment.
- Solent Careers Hub will hold a NEET intervention and prevention conference in July for over 250+ stakeholders

Digital Skills Partnership

- Solent are leading on a bid to the Barclays Eagle Lab Ecosystem Partners on behalf of Catalyst South. The DSP lead has convened stakeholders across the six LEP`s and is formulating a proposal to be submitted by 31st May 2023.
- Regular Digital skills updates are being provided via the LEP`s comms channels. The latest newsletter “Digital Lives” can be viewed here <https://www.linkedin.com/pulse/digitallives-issue-2-rich-burn/>
- Ongoing discussions with Google to deliver a series of webinars for small businesses. To include topics such as Social marketing, get your website on google and find customers.
- Solent`s Tech Talent Taskforce met. Attendees included a range of SME`s, Institute of Technology, FE, HE, Apprenticeship and Skills Hub, NHS, Ordnance Survey, IBM and IOW Technology group. Actions around careers, education and branding are being progressed.



Skills Bootcamps

- Skills bootcamps proposal has been drafted and an application will be submitted to DfE.
- Total funding request is for £1.24m
- Delivery funding requested is £1.08m – Circa 250 places
- LEP grant request is (15% of delivery funding) £162K
- 7 subject areas that are aligned with the emerging Solent LSIP. These are Digital Marketing, Software, Maritime Logistics, Green Skills, Care, Hospitality and Creative Management skills.
- Market testing completed with training providers and LSIP lead.
- Full Procurement exercise to follow pending DfE approval.



26.5.2023

Item 10

Forward Plan



Item: 10
Title: Any other business – LEP Board forward plan
Date: 26 May 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

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:
 - Government response to LEP integration review and 3 year corporate plan
 - 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

21 October 2023 (9.00 am to 12.00 pm) virtual meeting

- Cluster development update to include :
 - Maritime UK Solent mid-year report
 - Solent Cluster update
- Finance and funding report to include mid-year review of:
 - Local Growth Update
 - In year review for 2023/24 and financial forecasts to 2024/25
 - Funding call update
 - Review of Risk registers
- Strategy update to include:
 - Report from the Skills Advisory Panel on the Solent Skills Action Plan and CEC delivery
 - Solent Cultural Plan

- Governance update to include:
 - Mid-year review of Solent LEP Delivery Plan for 2023/24 and draft delivery plan for 2024/25
 - Corporate plan review
- General update to include:
 - Report from the Business Support task group
 - 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.