



AGENDA

Solent Local Enterprise Partnership

Meeting of the Finance, Funding and Performance Management Group (FFPMG) to be held virtually on
Thursday 14 September 2023, 09:30-12:00

Item	Title	Time
1.	Introductions and apologies for absence	09:30 - 09:40
2.	Notes of the previous meeting of 22 June 2023, matters arising and declarations of interest	
3.	Updates from scheme leads to include: <ul style="list-style-type: none">• Vistry Homes - North Whiteley Development	09:40 - 10:00
4.	Finance, Funding and Performance Management Report <ul style="list-style-type: none">A. Current year budget positionB. Budget forecasts for 2023/2024 and 2024/25C. Consideration of local growth programmes including Local Growth Deal and Getting Building FundD. Review of corporate risk registerE. Review of project and service delivery risk registerF. Skills bootcamps update	10:00 - 11:00
5.	New Funding Calls <ul style="list-style-type: none">A. SME grantsB. Loans	11:00 - 11:35
6.	Internal Audit Update	11:35 - 11:45
7.	Any Other Business	11:45 - 12:00

14.09.2023

Item 2

Notes of meeting held on 22 June 2023



Solent Local Enterprise Partnership

Funding, Finance Performance Management Group (FFPMG)

Held on Thursday 22 June 2023 via video conference facilities.

13:30 - 15:30

Present	In Attendance
James Fitzgerald	Paul Somerset
Nick Loader (Chair)	Nicola Twiddy (minute taker)
Richard Jones	Kate Cloud
David Youngs	Lloyd Clark
Salli Shapcott	
Apologies	Guests (For their update only as part of Item 3)
Graham Barnetson	Barry Cooke & Claire Elderfield - Isle of Wight Council

Item	Action
1. Introductions and apologies for absence The Chair welcomed everyone to the meeting. Apologies were noted from Graham Barnetson.	
2. Notes of the previous meeting of 20 April 2023, matters arising and declarations of interest <u>Notes of the previous meeting of 20 April 2023</u> The meeting notes from the meeting on 20 April 2023 were Agreed by FFPMG. <u>Matters Arising</u> The following matters arising were raised from the April meeting: A326 - The Executive have been in touch with HCC and awaiting confirmation in relation to timeframes for initiating phase 2 construction works. South-West Rail - The Executive have followed up with them since the last meeting and a response has been received today which the LEP Executive will review and take forward accordingly. Vectis - the contract has been agreed and currently being executed. All other matters will be covered during the meeting. <u>Declarations of Interest</u> Nick Loader and Graham Barnetson - organisations have a commercial relationship with ABP, unrelated to any LEP project.	

3.	<p>Updates from scheme leads</p> <p><u>Ise of Wight Council - Branstone Farm</u> Kate Cloud provided an update and overview on the current position of the project.</p> <p>Barry Cooke and Claire Elderfield from Isle of Wight Council joined the meeting (13:42). An update was provided on the project, detailing the outstanding works and job numbers.</p> <p>Following questions, thanks were passed to Barry Cooke and Claire Elderfield and they left the meeting (14:04)</p> <p>Following a discussion, FFPMG Members:</p> <ul style="list-style-type: none"> • Noted the update. • Considered and Agreed in principle with the recommended actions relating to IOW Council Branstone Farm Rural Employment Hub at Item 5, Appendix J subject to obtaining further detail on the project outputs. 	
4.	<p>Audit Update</p> <p>Paul Somerset provided an update on the standard Internal Audit activities, noting that the plan has now be completed for the 2022-23 period and the annual audit opinion for the year was highlighted.</p> <p>FFPMG Members:</p> <ul style="list-style-type: none"> • Noted the Annual Audit Opinion in relation to audit work carried out during 2022/23. <p><u>Item 4B</u> The Internal Audit Action Tracker has highlighted the action taken since audits have been undertaken.</p>	
5.	<p>Finance, Funding and Performance Management Report</p> <p>The paper was taken as read and an update was provided noting the updated reports in line with the new corporate plan and the extension to the budgets out to 2025-26. The new Financial Dashboard was also highlighted along with those in the risk registers.</p> <p>The Appendices were reviewed in turn and following discussions FFPMG Members:</p> <p>Endorsed the revised budget for 2023/24 of £16,344,651 as set out in Appendix A1 and the revised budget for the period 2024/25 to 2025/26 as set out in appendix B and recommend it for approval by the Solent LEP Board on 21 July 2023 which includes the following:</p> <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 the financial dashboard in Appendix A. <p>FFPMG are also asked to:</p> <ul style="list-style-type: none"> • Noted and Agreed the Corporate and Strategic Risk Register at appendix C. • Considered the high-level Risk Matrix for the Local Growth Programme at appendix F and delegated its Approval to the LEP Deputy Chief Executive and the Accountable Body's section 151 officer. • Recommended that the LEP Board write to local rating authorities in relation to Enterprise Zone retained rates. • Noted the update on the new funding in paragraph 3. • Noted the project specific updates by exception in paragraph 4.2. • Considered and Agreed the recommended actions relating to Centenary Quay at Appendix G. 	<p>Executive & AB</p> <p>Executive & AB</p>

	<ul style="list-style-type: none"> • Considered and Agreed the recommended actions relating to one SME grant beneficiary at Appendix H. • Considered and Agreed the recommended actions relating to the ABP Port of Southampton Cruise Terminal scheme at Appendix I. • Noted the content of the confidential Appendix K and Agreed the recommended actions relating to the Employer Ownership of Skills Programme. • Noted the content of the confidential Appendix L and Agreed the recommended actions relating to the Project and Programme Monitoring Plans. • Noted the Loan Fund update in paragraph 6. 	<p>Executive & AB</p> <p>Executive & AB</p> <p>Executive & AB</p> <p>Executive & AB</p>
6.	<p>Corporate Plan - Supporting Financial Plan</p> <p>The paper was taken as read and Richard Jones gave a presentation on the Organisation Structure Proposals to support the revised corporate plan which included the principles for developing a staff structure proposal, phase 1 requirements, establishments budgets 2023/24 to 2025/26, future funding scenario planning and next steps.</p> <p>Following comments and questions, FFPMG Members:</p> <ul style="list-style-type: none"> • Agreed to nominate a representative from FFPMG to work with the executive to develop further proposals for consideration at a future SERCOM meeting. 	<p>Executive to pick up with FFPMG Members</p>
7.	<p>Any Other Business</p> <p>An update was provided regarding an SME previously funded and FFPMG Members Agreed the recommended action to instruct the accountable body to register the proof of debt with the liquidator.</p> <p>The next meeting is scheduled for 14 September 2023.</p> <p>No further business, meeting was closed.</p>	

Meeting closed at 15:36

14.09.2023

Item 4

**Funding, Finance and Performance Management
Report**

Item Number: 4
Item Title: Solent LEP Finance and Funding Report
Meeting Date: 14 September 2023
Purpose: For Information, Advice and Decision

Confidential information has been removed from this report.

Information defined as exempt in Part 1 of Schedule 12A to the Local Government Act 1972 has been removed from this report including:

- information relating to an individual, and/or;
- relating to the financial or business affairs of a particular person.

1. Introduction

- 1.1 This report provides the Finance, Funding, and Performance Management Group (FFPMG) with the financial position of the Corporate Plan to 31 July 2023 and the forecast budgets for the period 2024/25 to 2025/26.
- 1.1 The opening budgets are as approved at the LEP Board meeting on 21 July 2023 and the report sets out the expenditure to date and projected outturn which includes the latest positions of the Corporate Plan mission areas and an update on the tail end of the two major funding programmes, the Local Growth Deal and the Getting Building Fund.
- 1.2 The report and dashboard set out the 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.

2. Recommendations

- 2.1 It is recommended that the FFPMG:
- (i) Endorse the revised budget for 2023/24 of £9,544,151 as set out in Appendix A1 and the revised budget for the period 2024/25 to 2025/26 as set out in appendix B which includes 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 the financial dashboard in Appendix A.

FFPMG 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 Chief Executive and the Accountable Body's section 151 officer.
- Note the update on the new funding in paragraph 3.1
- Consider the project specific updates by exception attached at Appendices G to M and Agree the associated recommendations.
- Note the Funding Call update in paragraph 5 below.
- Note the Skills Bootcamps update in paragraph 6 below.
- Note the Solent Maritime and Decarbonisation Hub update in paragraph 7 below.
- Note the update in paragraph 8 on 5G Innovation Regions.

- **Consider** and **Recommend** to the Solent LEP Board that core establishment funding is provided for MUK Solent to secure the future of the organisation.

3. **Key Budget Movements and Associated Issues - 2023/24 to 2025/26**

The additional resources / budget re-profiling since the last meeting of the LEP Board on 21 July 2023 are set out in the financial dashboard in Appendix A.

3.1 **New Funding**

The LEP Executive continue to explore new funding opportunities and the unsecured funding forecast section of the financial dashboard in Appendix A sets out future potential sources of funding (with RAG ratings) that could be made available going forward. It is vital that alternative future income sources continue to be identified as the LEP begins to move away from previous traditional sources of government funding following the 2023 spring budget announcement. This work will be continuously updated and although the reporting profile is currently limited to a rolling three-year period, the Accountable Body and LEP Executive are already considering how the funding landscape will be evolving post the 2025/26 financial year.

3.2 **Reprofiling**

The LEP Executive and Accountable Body continue to refine the new Corporate Plan budgets in line with the day-to-day activities of the organisation. Following SERCOM approval of phase one of the LEP Executive structure, staffing budgets have been reprofiled over a three-year period to 2025/26. As work on the future financial sustainability of the Solent Partner executive structure develops with SERCOM over the coming months, the staff budget allocations will continue to be reviewed and reported back to FFPMG and Board members. The reprofiling changes are highlighted in the table set out in Financial Dashboard at Appendix A.

4. **Current Financial Year**

The revised budget of £9,544,151 for the 2023/24 financial year reflects the latest status of the tails of the two major funding programmes as well as forecasts for other key areas of the Corporate Plan such as business support, skills and updated reprofiling in respect of some of the loan funding to align with the decision at the July 23 Board meeting to explore the development of a new loan and SME grant fund in the future.

4.1 **Local Growth Deal and Getting Building Fund**

As FFPMG 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 FFPMG and Board members to consider and track the progress of the remaining projects.

4.2 **Specific Project Updates by Exception**

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

The updated positions for each of these projects are included in the risk register at Appendix F and in the confidential Appendices G - M which refer to the following projects:

- Hampshire County Council - A326
- Isle of Wight Council - Branstone Farm
- Isle of Wight Council - Floating Bridge 6
- Vistry Homes - North Whiteley
- South West Rail - Island Line
- Hampshire and Isle of Wight Wildlife Trust - Nitrate Mitigation Programme
- Vectis Ventures

FFPMG are asked to:

- **Consider** and **Agree** the recommendations set out in each confidential appendix.

5. **Funding Call Update**

A presentation will be given at the meeting under item 5 of the agenda to describe the two new funding calls proposed to be launched at Venturefest on 16 November, subject to FFPMG and Board approval. FFPMG are asked to:

5.1 **Loan Funds**

Following approval from the LEP Board, the Executive has designed an updated Loan Fund offer with a draft prospectus and launch proposal. The loan fund would utilise the remaining Solent Prosperity Loan funding of circa £4m and would look at loan applications between £500,000 to a maximum of £4,000,000. There would also be an opportunity to use the Growing Places Loan funding should there be a strong appetite for loan funding in the market.

5.2 **SME Grants**

The LEP Executive have developed plans to distribute small, capital grants to SMEs between £20,000 and £50,000 to support the local economy and to meet demand which is not being satisfied by other schemes. An initial allocation of £500,000 from residual GBF programme funds has been set aside with the potential to utilise remaining LGD funding if demand for the programme exceeds the initial allocation. A number of key areas of focus have been identified which centre on innovation, maritime, and the transition to Net Zero. Plans have been developed with expert advice from the Business Support Investment Panel, the Business Support Taskforce and consulting with other local funders.

6. **Skills Bootcamps**

The LEP successfully secured £1.2m from the Department for Education (DfE) for skills bootcamps in the financial year 2023/24 across the following areas:

- Digital Marketing
- Software Development
- Maritime Transport and Logistics
- Care Services - Adult Care Worker
- Creative Management Business and administration/Management professional
- Green Skills - Green Construction and Buildings
- Catering and Hospitality - Hospitality Supervisor

Skills Bootcamps are free, flexible courses of up to 16 weeks for adults aged 19 or over and they are primarily aimed at delivering flexible training at levels 3-5 (medium to higher level technical skills), and level 2 in some sectors. They are co-designed or shaped with employers to respond to their skills shortages and the training is for adults who are either in work, self-employed, unemployed or returning to work after a break.

The procurement tendering process for service providers to develop and deliver the Solent Skills Bootcamps is now underway with contracting expected to start in October 23.

DfE have also contacted the LEP regarding funding for the financial year 2024/25 and the LEP Executive will be looking to submit a proposal for further grant funding in the coming weeks.

7. **Solent Maritime and Decarbonisation Hub**

The Solent LEP, through Maritime UK Solent, successfully bid for £400,000 of Solent Freeport Seed Capital Funding to contribute to the creation of a Solent Maritime and Decarbonisation Hub. The seed funding is complemented by a further £850,000 of LEP funding to provide a total funding pot of £1.25m. All funding is capital and a proportion of this will be made available for the fit out of the Centre, with a further amount to be made available to the SME grant programme (circa £500,000) discussed in paragraph 5.2 above. All funding is required to be spent by 31st March 2024.

An Employers Agent has been appointed to manage the delivery of the fit out works of the Hub and we will shortly start the process of tendering for a contractor for the fit out works.

The Executive and Accountable Body are in the process of reviewing the operating costs based on the proposed heads of terms for the lease in terms of affordability. A verbal update on the Solent Maritime Decarbonisation Hub will be provided at the meeting.

8. **5G Innovation Regions**

The Department for Science, Innovation and Technology (DSIT) is inviting applications into a £40m fund for local authorities across the UK to establish themselves as '5G Innovation Regions'. This is part of the Government's wider programme to drive 5G adoption with a focus on key sectors where there is local capability and opportunities. Projects applying to this competition are expected to meet the following objectives:

- Drive economic growth across the UK by supporting places to adopt advanced wireless technologies for services based around local opportunities for growth
- Accelerate commercial investment in 5G and other advanced wireless technologies by aggregating and demonstrating demand
- Foster the 5G ecosystem enabling "learning by doing"

In partnership with Portsmouth City Council, Southampton City Council, and Isle of Wight Council, Solent Partners will lead on a bid for £3.8m of capital funding to support three identified areas of local need within the Solent. Solent Partners role will include convening the steering group, reporting to government, arranging events to disseminate information for which part of the £3.8m bid will provide for. The bid is to be submitted in early September and should the bid be successful then projects are required to complete by 31 March 2025.

9. **MUK Solent Funding**

Since the company's inception, the Solent LEP has provided its subsidiary Maritime UK Solent with a total of £800,000 in funding over the three years 2021/22, 2022/23 and 2023/24. As part of the funding arrangements, Maritime UK Solent are required to provide a Business Plan, Annual Report, independent evaluation report, and ensure in kind or cash contributions of match funding totalling £1,050,000 over the three-year period.

Over the past three years, MUK Solent have successfully hosted a programme of breakfast network meetings through which they have connected the sector, connected Solent maritime businesses to the National Shipbuilding Office, the Department for Transport, UK SHORE, and Innovate UK to access funding opportunities, and they have signed a collaboration agreement with Turku Business Region in Finland. MUK Solent have also worked with Connected Places Catapult and the Royal Navy to identify our regions maritime innovation strengths, and, hosted our inaugural Maritime UK Solent Awards, where we saw the very best of our maritime sector being recognised.

Maritime UK Solent is a key element in the delivery of the Solent Partners Corporate Plan, and it is therefore imperative that the company continues to operate and has a secure funding base to strategically plan for the future. The MUK Solent Board are due to meet in October to discuss future revenue generation activities and agree future budget provisions and as part of this, the Managing Director has enquired about future Solent LEP funding opportunities.

As part of the work the LEP Executive has carried out with SERCOM to build a sustainable establishment budget across all organisations within Solent Partners, an allocation for Maritime UK Solent staff has been factored into the future budgets. The MUK Solent establishment consists of one Programme Manager and a percentage of resource for the Managing Director Role, Governance, and Marketing and Communications. It is therefore recommended that

the allocation set aside for funding these posts is granted to MUK Solent to continue funding the core establishment obligations over the next two financial years until March 25 when a further review will be carried out. The funding for 2024/25 would be a top up on any unused Solent LEP grant funding from previous years to fund establishment costs, with a full allocation for establishment costs granted in 2025/26.

Since the Solent LEP provided funding to MUK Solent, the emergence of the corporate plan and Solent Partners has meant that the LEP Executive and Accountable Body have moved to a group-based reporting method with the MUK Solent budget reported on the main financial appendices. It is therefore, also recommended that based on this change and increased level of transparency, that the requirement for MUK Solent to provide an independent evaluation report is not required as a condition of providing the core establishment funding, but that the company is included within the group audit for Solent Partners as this is established.

FFPMG are asked to:

- **Consider** and **Recommend** to the Solent LEP Board that core establishment funding is provided for MUK Solent to secure the future of the organisation.

10. **Operational Costs / Core Funding**

The LEP Executive and the Accountable Body are continuing to model the operational resources that form part of the fully funded three-year rolling budget which enables FFPMG and the LEP Board to be able to make strategic decisions about the ongoing resilience of the LEP.

FFPMG 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.

11. **Financial Summary**

The current position of the Corporate Plan budget for 2023/24 is set out in appendix A1 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 2023/24 and 2024/25 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 in respect of the future of LEP funding and the ongoing work to resource the corporate plan which is set out in the 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.

12. **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.

13. **Legal implications**

Budget

With reference to the recommendation to:

Endorse the revised budget for 2023/24 of £9,544,151 as set out in Appendix A1 and the revised budget for the period 2024/25 to 2025/26 as set out in appendix B which includes 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 the financial dashboard in Appendix A.*

Portsmouth City Council's Section 151 Officer acts as the Chief Finance Officer (by the relevant delegation powers) for the Solent LEP and is in receipt of a general delegation from the Council in order to manage such matters.

New Funding

With regards to income-generating activities referred to and Solent LEP taking a more commercial approach to selling services going forward, where Portsmouth City Council is required to act as Accountable Body, such commercial approach will need to be in accordance with the laws regarding local authority trading rules.

Individual Projects

Specific legal commentary to be provided within the body of the reports of individual projects and any specific legal action referred to within these reports will be managed in accordance with the advice provided.

Risk Register

With regards to matters referred to in the Risk Register, specific legal advice shall be sought relating to each project on a case-by-case basis, especially where the beneficiaries are not complying with the terms of the grant funding agreement and enforcement actions are being considered.

Solent Maritime and Decarbonisation Hub

With regard to the wording "*The Solent LEP successfully bid for £400,000 of Solent Freeport Seed Capital Funding to contribute to the creation of a Solent Maritime and Decarbonisation Hub*". It is PCC Legal's understanding that it was Maritime Solent UK that was successful in this bid but that the Solent LEP is to be providing match-funding to MUK. Legal advice is currently being sought regarding the most appropriate legal structure to manage PCC acting as Accountable Body on behalf of Solent LEP, MUK and Solent Freeport in this transaction. No funding is legally binding until contractual agreements have been signed and completed.

14. 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.

14.09.2023

Item 4 - Appendix A

Financial Dashboard

Information defined as exempt in Part 1 of Schedule 12A to the Local Government Act 1972 has been removed from this report including:

- information relating to an individual, and/or;
- relating to the financial or business affairs of a particular person.

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**SOLENT LOCAL
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Financial Dashboard

Corporate Plan 2023/24 Budget Forecast

Full Year Budget 2023/24 (As agreed at LEP Board 21 July 23)	Full Year Forecast and Proposed <u>Revised</u> Budget	Expenditure as at 31st July 2023 <i>(Figure does not include 22/23 accruals)</i>	Forecast Remaining Expenditure to 31st March 2024	Forecast Over / (Underspend) for the Year
£9,897,737	£9,544,151	£759,784 8%	£8,784,367 92%	£0

Corporate Plan Expenditure Summary 2023/24

Category	Actual	Budget
Deliver	~4,400,000	~4,400,000
Collaborate	~400,000	~400,000
Lead	~400,000	~400,000
Advocate	~100,000	~100,000
Connect	~4,400,000	~4,400,000

Corporate Plan Funding Summary 2023/24

Funding Source	Amount
Local Growth Deal	£14,588,903
Growing Places Fund - Capital	£13,129,945
Recycled Loan funding	£112,000
Enterprise Zone Capital Grant	£25,000
Getting Building Fund	£9,000
Solent Freeport (MIH)	£186,039
CEC & Digital Skills	£6,539
Solent Growth Hub - BEIS	£200,000
Core Funding	£102,461
Interest Earned	£0
Solent Cluster Contributions	£0
Maritime UK Solent	£0
University of Southampton - Greenprint	£0
DfE Skills Bootcamps	£0
Arts Council England	£0

Board Headlines:

New Funding & Reprofiting of budget

		Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Total
Budget Agreed at Board on 21 July 2023		£9,897,737	£14,588,903	£13,129,945	£37,616,585
DCMS Creative Growth Programme Bid Writing	New	£9,500	£0	£0	£9,500
Solent Growth Hub	Reprofiled	£0	£25,000	£0	£0
Staffing Provision reprofiling - Solent Cluster	Reprofiled	£0	£9,000	£103,000	£112,000
Staffing Provision reprofiling - Advocate	Reprofiled	£51,000	£40,000	£70,000	£221,000
Staffing Provision reprofiling - Lead	Reprofiled	£82,000	£97,500	£186,039	£6,539
Staffing Provision reprofiling - Collaborate	Reprofiled	£166,000	£154,000	£120,000	£200,000
Staffing Provision reprofiling - Deliver	Reprofiled	£15,000	£37,539	£155,000	£102,461
Staffing Provision reprofiling - GPL Programme Man	Reprofiled	£25,000	£30,000	£55,000	£0
Staffing Provision reprofiling - LGD/GBF Recycled loans	Reprofiled	£44,086	£43,914	£88,000	£0
Staffing Provision reprofiling - Solent Prosperity loan	Reprofiled	£20,000	£20,000	£0	£0
Full Year Forecast and Proposed Revised Budget		£9,544,151	£14,149,950	£13,931,984	£37,626,085

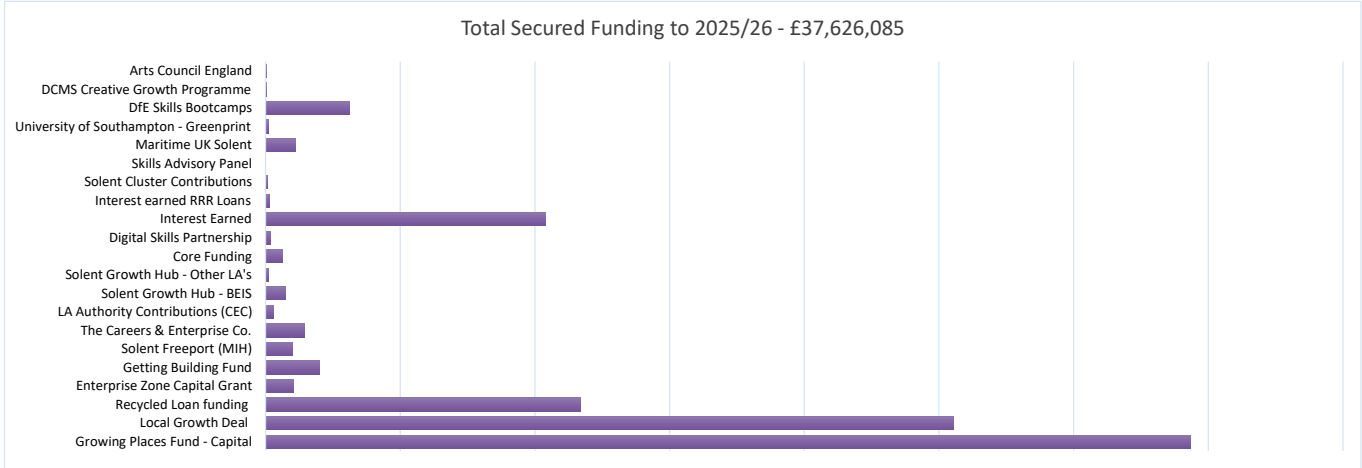
Delivery - Local Growth Deal and Getting Building Fund Update

Total Local Growth Deal Funding Received	£178,257,261
% of Funding Defrayed to Date	100%
Freedoms and Flexibilities Used	£17,562,250
Total Freedoms and Flexibilities (F&F) Funding yet to be defrayed	£10,215,351
F&F Expenditure Since 21 July 2023	£0

Total Getting Building Funding Received	£15,955,000
% of Funding Defrayed to Date	100%
Freedoms and Flexibilities Used	£2,004,844
Total Freedoms and Flexibilities (F&F) Funding yet to be defrayed	£797,501
F&F Expenditure Since 21 July 2023	£1,268

Corporate Plan Future Year Forecasts to 2025/26

Corporate Plan - Budget Forecast				
Summary	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total
Connect	£4,233,218	£692,685	£328,000	£5,253,903
Advocate	£77,000	£115,000	£120,000	£312,000
Lead	£570,000	£551,978	£376,039	£1,498,017
Collaborate	£313,500	£226,500	£225,000	£765,000
Deliver	£4,350,433	£12,563,787	£12,882,945	£29,797,165
Total	£9,544,151	£14,149,950	£13,931,984	£37,626,085



SOLENT PARTNERS CORPORATE PLAN - BUDGET FORECAST 2023/24							
Connect	Full Year Budget 2023/24*	Actual Expenditure up to 31 July 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 24 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2024/25	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Solent Freeport Skills Programme Management	0	0	0	0	0	0	0
Digital Skills Partnership	72,026	25,725	72,026	0	0	0	0
DfE Skills Bootcamps	1,242,000	8,374	1,242,000	0	0	0	0
Solent Growth Hub	342,958	96,901	342,958	0	0	0	0
Enterprise Adviser Network	635,983	162,347	635,983	0	0	0	0
Skills Advisory Panels	250	65	250	0	0	0	0
Maritime Innovation Hub - Operational Costs	0	0	0	0	0	0	0
Maritime Innovation Hub - Capital	1,197,501	1,268	1,197,501	0	0	0	0
Solent Cluster	147,000	26,991	147,000	0	0	0	0
Maritime UK Solent	536,000	98,856	536,000	0	0	0	0
Creative and Cultural	50,000	0	59,500	9,500	9,500	0	0
Connect Total	4,223,718	420,527	4,233,218	9,500	9,500	0	0
Advocate	Full Year Budget 2023/24*	Actual Expenditure up to 31 July 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 24 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2024/25	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Strategic Commissions	25,000	0	25,000	0	0	0	0
Strategic Partnerships MoU's	0	0	0	0	0	0	0
Other Operating Costs - Staffing Costs	103,000	17,118	52,000	(51,000)	(51,000)	0	0
Advocate Total	128,000	17,118	77,000	(51,000)	(51,000)	0	0
Lead	Full Year Budget 2023/24*	Actual Expenditure up to 31 July 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 24 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2024/25	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Solent 2050	100,000	2,000	100,000	0	0	0	0
Solent Summit	0	0	0	0	0	0	0
Other Operating Costs - Staffing Costs	307,000	61,591	225,000	(82,000)	(82,000)	0	0
Other Operating Costs - Office costs	45,000	14,563	45,000	0	0	0	0
Contingency	200,000	0	200,000	0	0	0	0
Lead Total	652,000	78,154	570,000	(82,000)	(82,000)	0	0
Collaborate	Full Year Budget 2023/24*	Actual Expenditure up to 31 July 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 24 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2024/25	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government

	£	£	£	£	£	£	£
Business Development	0	0	0	0	0	0	0
Stakeholders Engagement / Marketing & Communications	165,000	52,767	165,000	0	0	0	0
Greenprint Conference UoS	50,000	42,826	50,000	0	0	0	0
LEP Network	3,500	3,500	3,500	0	0	0	0
Devolution Works	0	0	0	0	0	0	0
Other Operating Costs - Staffing Costs	261,000	7,466	95,000	(166,000)	(166,000)	0	0
Collaborate Total	479,500	106,559	313,500	(166,000)	(166,000)	0	0

Deliver	Full Year Budget 2023/24*	Actual Expenditure up to 31 July 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 24 Over / (Underspend)	Acceleration or Programme Slippage to be carried forward to 2024/25	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
SME Support	100,000	(10,000)	100,000	0	0	0	0
SME Support Fund - Earmarked for Solent Freeport	250,000	0	250,000	0	0	0	0
Natural Enterprise Grant Programme	0	(4,786)	0	0	0	0	0
<u>Local Growth Deal:</u>							
North Whiteley Transport Improvements	2,249,802	0	2,249,802	0	0	0	0
UoS - Web Science (Z21)	0	(557)	0	0	0	0	0
Centenary Quay	0	0	0	0	0	0	0
A326 Highway Improvements	0	0	0	0	0	0	0
IOW Island Line - Brading Loop	105,000	0	105,000	0	0	0	0
COVID-19 Loan Fund	0	0	0	0	0	0	0
Stubbington Bypass	849,974	0	849,974	0	0	0	0
Stubbington Bypass Programme Management Costs	2,874	921	2,874	0	0	0	0
<u>Getting Building Fund:</u>							
Port of Southampton Cruise Terminal	0	0	0	0	0	0	0
Fawley Waterside Digital	0	0	0	0	0	0	0
Branstone Farm Rural Employment Hub	0	0	0	0	0	0	0
<u>Loan Funding Programmes:</u>							
Growing Places Loan Fund : Capital Allocation (Split out for projects)	0	0	0	0	0	0	0
Growing Places Loan - Earmarked for Solent Freeport Projects	0	0	0	0	0	0	0
Growing Places Loan Fund Programme Management Costs	50,000	7,894	25,000	(25,000)	(25,000)	0	0
Solent Prosperity Loan Fund (Split out for Projects)	0	0	0	0	0	0	0
Solent Prosperity Loan Fund Programme Management	0	0	20,000	20,000	20,000	0	0
LGD / GBF Recycled Loans (Split out for Projects)	0	0	0	0	0	0	0
LGD / GBF Recycled Loans Programme Management	79,086	10,647	35,000	(44,086)	(44,086)	0	0
Building Foundations for Growth Capital Grant for EZ	417,783	0	417,783	0	0	0	0
Other Operating Costs - Programme Management	160,000	49,578	145,000	(15,000)	(15,000)	0	0
Other Operating Costs - Finance / HR / Dem Services	90,000	46,427	90,000	0	0	0	0
Other Operating Costs - Legal Support	60,000	37,302	60,000	0	0	0	0
Deliver Total	4,414,519	137,427	4,350,433	(64,086)	(64,086)	0	0

Total Corporate Plan Budget	9,897,737	759,784	9,544,151	(353,586)	(353,586)	0	0
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* As agreed at LEP Board 21 July 2023

14.09.2023

Item 4 - Appendix B
Corporate Plan Budget

SOLENT PARTNERS CORPORATE PLAN - BUDGET FORECAST TO 2025/26						
CONNECT	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
Solent Freeport Skills Programme Management	0	0	0	0	0	-
Digital Skills Partnership	72,026	0	0	72,026	72,026	-
DfE Skills Bootcamps	1,242,000	0	0	1,242,000	1,242,000	-
Solent Growth Hub	342,958	225,000	225,000	792,958	792,958	-
Enterprise Adviser Network	635,983	208,700	0	844,683	844,683	-
Skills Advisory Panels	250	0	0	250	250	-
Maritime Innovation Hub - Operational Costs	0	0	0	0	0	-
Maritime Innovation Hub - Capital	1,197,501	0	0	1,197,501	1,197,501	-
Solent Cluster	147,000	98,000	103,000	348,000	348,000	-
Maritime UK Solent	536,000	160,985	0	696,985	696,985	-
Provision for Maritime UK Solent Funding	0	0	0	0	0	-
Creative and Cultural	59,500	0	0	59,500	59,500	-
Connect Total	4,233,218	692,685	328,000	5,253,903	5,253,903	-
ADVOCATE	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
Strategic Commissions	25,000	50,000	50,000	125,000	125,000	-
Strategic Partnerships MoU's	0	0	0	0	0	-
Other Operating Costs - Staffing Costs	52,000	65,000	70,000	187,000	187,000	-
Advocate Total	77,000	115,000	120,000	312,000	312,000	-
LEAD	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
Solent 2050	100,000	50,000	50,000	200,000	200,000	-
Solent Summit	0	50,000	50,000	100,000	100,000	-
Other Operating Costs - Staffing Costs	225,000	240,000	226,039	691,039	691,039	-
Other Operating Costs - Office costs	45,000	50,000	0	95,000	95,000	-
Contingency	200,000	161,978	50,000	411,978	411,978	-
Lead Total	570,000	551,978	376,039	1,498,017	1,498,017	0
COLLABORATE	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance

APPENDIX B1

Business Development	0	0	0	0	0	-
Stakeholders Engagement / Marketing & Communications	165,000	105,000	105,000	375,000	375,000	-
Greenprint Conference UoS	50,000	0	0	50,000	50,000	-
LEP Network	3,500	6,500	0	10,000	10,000	-
Devolution Works	0	0	0	0	0	-
Other Operating Costs - Staffing Costs	95,000	115,000	120,000	330,000	330,000	-
Collaborate Total	313,500	226,500	225,000	765,000	765,000	-

DELIVER	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
SME Support	100,000	670,247	0	770,247	770,247	-
SME Support Fund - Earmarked for Solent Freeport	250,000	750,000	0	1,000,000	1,000,000	-
Natural Enterprise Grant Programme	0	0	0	0	0	-
<u>Local Growth Deal:</u>						
North Whiteley Transport Improvements	2,249,802	369,885	0	2,619,687	2,619,687	-
UoS - Web Science (Z21)	0	0	0	0	0	-
Centenary Quay	0	0	0	0	0	-
A326 Highway Improvements*	0	883,160	0	883,160	883,160	-
IOW Island Line - Brading Loop*	105,000	0	0	105,000	105,000	-
COVID-19 Loan Fund	0	0	0	0	0	-
Stubbington Bypass	849,974	0	0	849,974	849,974	-
Stubbington Bypass Programme Management Costs	2,874	0	0	2,874	2,874	-
<u>Getting Building Fund:</u>						
Port of Southampton Cruise Terminal*	0	0	0	0	0	-
Fawley Waterside Digital*	0	0	0	0	0	-
Branstone Farm Rural Employment Hub*	0	0	0	0	0	-
<u>Loan Funding Programmes:</u>						
Growing Places Loan Fund : Capital Allocation (Split out for projects)	0	1,000,000	12,562,916	13,562,916	13,562,916	-
Growing Places Loan - Earmarked for Solent Freeport Projects	0	0	0	0	0	-
Growing Places Loan Fund Programme Management Costs	25,000	70,000	77,029	172,029	172,029	-
Solent Prosperity Loan Fund (Split out for Projects)	0	3,884,409	0	3,884,409	3,884,409	-
Solent Prosperity Loan Fund Programme Management	20,000	80,000	0	100,000	100,000	-
LGD / GBF Recycled Loans (Split out for Projects)	0	4,500,000	0	4,500,000	4,500,000	-
LGD / GBF Recycled Loans Programme Management	35,000	56,086	88,000	179,086	179,086	-
Building Foundations for Growth Capital Grant for EZ	417,783	0	0	417,783	417,783	-
Other Operating Costs - Programme Management	145,000	150,000	155,000	450,000	450,000	-
Other Operating Costs - Finance / HR / Dem Services	90,000	90,000	0	180,000	180,000	-
Other Operating Costs - Legal Support	60,000	60,000	0	120,000	120,000	-
Deliver Total	4,350,433	12,563,787	12,882,945	29,797,165	29,797,165	0

CORPORATE PLAN BUDGET GRAND TOTAL	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
	9,544,151	14,149,950	13,931,984	37,626,085	37,626,085	0

FUNDING SUMMARY	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget
<u>Solent LEP:</u>				
Growing Places Fund - Capital	25,000	1,070,000	12,639,945	13,734,945
Solent Growth Deal	220,779	1,020,132	-	1,240,911
DfT Funding for Retained Schemes	3,356,873	5,617,569	-	8,974,442
LGD Loan recycled funding	17,501	2,653,043	44,000	2,714,544
Enterprise Zone Capital Grant	417,783	-	-	417,783
Getting Building Fund	797,501	-	-	797,501
Getting Building Fund - Recycled Loan Funding	17,500	1,903,043	44,000	1,964,543
Solent Freeport (MIH)	400,000	-	-	400,000
The Careers & Enterprise Co. - Enterprise Adviser Network	424,064	152,264	-	576,328
Enterprise Advice Network - Matched Funding (Interest Earned)	124,298	20,035	-	144,333
External Contributions towards CEC Staff	87,621	36,400	-	124,021
Solent Growth Hub - BEIS	298,250	-	-	298,250
Solent Growth Hub - Other LA's	44,708	-	-	44,708
Core Funding	258,077	-	-	258,077
Skills Advisory Panel	250	-	-	250
Digital Skills Partnership Funding (SCC, DCMS, South East LEP, Catalyst South)	72,026	-	-	72,026
Interest earned on funding yet to pay out	1,344,420	1,503,979	1,164,039	4,012,438
Interest earned RRR Loans	-	12,500	40,000	52,500
University of Southampton - Greenprint	50,000	-	-	50,000
Arts Council England	20,000	-	-	20,000
DCMS Creative Growth Programme	9,500	-	-	9,500
DfE Skills Bootcamps	1,242,000	-	-	1,242,000
<u>Solent Cluster:</u>				
Solent Cluster Contributions	30,000	-	-	30,000
<u>Maritime UK Solent:</u>				
Solent LEP (Previous years C/Fwd)	121,000	160,985	-	281,985
MUK Solent Awards	135,000	-	-	135,000
University of Southampton	-	-	-	-
Hampshire Chamber of Commerce LSIP	30,000	-	-	30,000
				-
Grant Total - Funding	9,544,151	14,149,950	13,931,984	37,626,085
Growing Places Fund - Forecast Reserve for Future Projects	Budget 2023/24	Budget 2024/25	Budget 2025/26	
Net Cumulative Growing Places Reserve Forecast - see appendix D for details	13,709,944	-	-	
TOTAL FUNDING TO SUPPORT LEP ACTIVITY				51,336,029
*2022/23 Accruals on Local Growth Deal and Getting Building Fund Schemes	Fund	Amount Accrued	Accrual Defrayed to Date	
A326 Highway Improvements	LGD	3,348,323	-	

IOW Island Line - Brading Loop	LGD	595,000	-
Port of Southampton Cruise Terminal	GBF	1,200,000	-
Fawley Waterside Digital	GBF	112,500	112,500
Branstone Farm Rural Employment Hub	GBF	1,059,403	-
Total		6,315,226	112,500

14.09.2023

Item 4 - Appendix C

Corporate Risk Register

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

14.09.2023

Item 4 - Appendix D

Loan Fund Position

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 £	2025/26 £	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)	(13,709,944)	(12,639,944)	
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	25,000	70,000	77,029	3,176,295
GPL Earmarked to support Freeport projects														0
GPL - Prosperity Fund Loans														0
GPL - SME Loans														0
Recycled Loan Funds available for reallocation												1,000,000	12,562,916	13,562,916
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	25,000	1,070,000	12,639,945	29,739,211
Loans repaid (Capital Receipts)														
Round 1														
CEMAST		(300,000)	(575,000)	(800,000)	(1,325,000)									(3,000,000)
Solent EZ Infrastructure package		(850,000)	(3,950,000)					(3,200,000)						(8,000,000)
Griffon Hoverwork				(400,000)	(800,000)	(800,000)	0							(2,000,000)
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	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)	(13,709,944)	(12,639,944)	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 £	2025/26 £	Total £
Opening Balance								0	0	(4,916,792)	(5,774,821)	(5,730,529)	205,999	
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)		580,000			(3,993,292)
Projects Funded														
Vectis Ventures								1,500,000						1,500,000
Greenclose Holdings								925,000	325,000					1,250,000
Solent Build Back Greener Loan Fund											0	3,884,409		3,884,409
Recycled Loan Funds available for reallocation									0	0	0	2,625,000		2,625,000
Programme Management costs										44,339	37,500	108,043	44,001	233,883
Sub-total: Loans Advanced	0	0	0	0	0	0	0	2,425,000	325,000	44,339	37,500	6,617,452	44,001	9,493,292
Loans repaid (Capital Receipts)														
Vectis Ventures									(187,500)	(562,500)	(250,000)	(250,000)	(250,000)	(1,500,000)
Greenclose Holdings									(156,000)	(339,868)	(323,208)	(430,924)		(1,250,000)
Solent Build Back Greener Loan Fund														0
Sub-total: Total Planned Fund Repayments	0	0	0	0	0	0	0	0	(343,500)	(902,368)	(573,208)	(680,924)	(250,000)	(2,750,000)
TOTAL CUMULATIVE BALANCE OF FUND AVAILABLE								0	(4,916,792)	(5,774,821)	(5,730,529)	205,999	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 £	2025/26 £	Total £
Opening Balance								0	(2,000,000)	0	(464,543)	(1,447,043)	(44,000)	
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												1,875,000		1,875,000
Programme Management Costs										35,457	17,500	28,043	44,000	125,000
Sub-total: Loans Advanced	0	0	0	0	0	0	0	0	2,000,000	35,457	17,500	1,903,043	44,000	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)	0	(2,000,000)
TOTAL CUMULATIVE BALANCE OF FUND AVAILABLE								(2,000,000)	0	(464,543)	(1,447,043)	(44,000)	0	

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

14.09.2023

Item 4 - Appendix E

Local Growth Deal & Getting Building Fund

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	100,000	670,247	1,132,000
SME Support Fund - Earmarked for Solent Freeport	-	-	-	-	-	-	-	-	250,000	750,000	1,000,000
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	2,249,802	369,885	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 buisness case development (LGD - DfT retained)	-	-	-	2,150,000	2,500,000	-	-	-	-	-	4,650,000
M27 J10 - buisness case progression	-	-	-	0	0	429,814	470,186	-	-	-	900,000
Solent Prosperity Loan Fund	-	-	-	-	-	-	-	-	20,000	3,964,409	3,984,409
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	3,577,650	6,637,701	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	3,577,650	6,637,701	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	3,577,650	6,637,701	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	2,724,802	6,637,701	-
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	3,577,650	6,637,701	178,257,261
Variance:	0	0	0	0	0	0	0	0	0	0	0

* Includes year end accruals made for grant claims receieved in 20/21 but not paid. £33,335,158 used for Freedoms and Flexibilities due to LGD deadline of 31 March 2021.

** Includes year end accruals made for grant claims receieved in 21/22 but not paid. Total accruals made £18,105,763

*** Includes year end accruals made for grant claims receieved in 22/23 but not paid. Total accruals made £4,599,109

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	0

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

*** £2,004,844 Freedoms and Flexibilties used in 2021/22. Includes year end accruals made for grant claims receieved in 22/23 but not paid. Total accruals made £2,371,903

14.09.2023

Item 4 - Appendix F

Project Risk Register

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

14.09.2023

Item 4 - Appendix G

A326 Project Update

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

14.09.2023

Item 4 - Appendix H

ABP Projects Update

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

14.09.2023

Item 4 - Appendix I

Branstone Farm Project Update

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

14.09.2023

Item 4 - Appendix J

Floating Bridge 6 Project Update

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

14.09.2023

Item 4 - Appendix K

North Whiteley Project Update

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

14.09.2023

Item 4 - Appendix L

Island Line & Brading Loop Project Update

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

14.09.2023

Item 4 - Appendix M

Nitrate Mitigation Project Update

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

14.09.2023

Item 4 - Appendix N

Vectis Holdings Project Update

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

14.09.2023

Item 5

New Funding Calls



Item 5

Title: New funding calls 2023
Date: 14 September 2023
Purpose: For information and decision

1. Introduction

This report provides an overview of two new funding calls proposed to support Solent based SMEs.

2. Background

As directed by Board at their July meeting, the LEP Executive and accountable body have been working to develop a number of new funding calls to support key areas priorities for the LEP. This has commenced with both a small grant and a larger loan scheme for SMEs with a focus on innovation, maritime and decarbonisation. These themes fit closely to the LEP's strategic priorities.

The small grants guidance at Annex A sets out the offer of £20,000 - £50,000 capital grants at a 50% intervention rate using a total fund of £500,000.

The loans guidance at Annex B sets out the offer of £500,000 - £4,000,000 capital loans at 50% intervention rate using a total fund of £4,000,000.

The total funding pot available for these calls is £4,500,000. Of this, £4,000,000 is Local Growth Deal programme funds that have come back to the Accountable Body as loan repayments or other freedoms and flexibilities. The remaining £500,000 is from the Getting Building Fund monies.

In addition to this grant and loan fund, work is ongoing to develop funding or other support in areas of creative & cultural, young people, start ups and rural based businesses. This will likely result in a mix of funding calls delivered by the LEP, delivered by third parties, or other opportunities as they become available.

FFPMG is asked to:

- **Note** the proposed loan and grant funding call proposals; and
- **Advise** the LEP Executive on any changes to the proposals; and
- **Recommend** to Board that the proposals are approved; and
- **Delegated Authority** to the LEP Executive and Accountable Body to action these proposals.

Legal comments

PCC Legal should be engaged from an early stage to assist with the technical guidance, prepare draft Funding Agreements and assist the Executive with a subsidy control analysis / plan for the schemes.

Financial comments from the S151 Officer of the Accountable Body

Following the Solent LEP Board decision in July to create a new Loan and SME grant programme, the Accountable Body created a budget provision for the new loan and grant proposals. The loan fund would utilise the remaining LGD Solent Prosperity Loan funding of circa £4m for loan applications

between £500,000 to a maximum of £4,000,000 with the prospect of also reallocating the Growing Places Loan funding should there be a strong appetite for LEP loan funding in the market.

A provision of £500,000 from residual GBF programme funds has been set aside for the SME grant programme with the potential to utilise remaining LGD funding if demand for the programme exceeds the initial allocation.

It is vital that the Accountable Body is involved in the technical guidance and application process, particularly for loans, to ensure that lessons learned from previous programmes are implemented and that sufficient resources can be allocated effectively for subsidy control implications and loan security reviews.

Further information

Further information about any aspects of this report can be obtained from Kate Cloud (kate.cloud@solentlep.org.uk)

14.09.2023

Item 5 - Appendix A

SME Grants Guidance

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

14.09.2023

Item 5 - Appendix B

Loan Fund Guidance

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

14.09.2023

Item 6

Internal Audit Update

Item: 6
Title: Internal Audit Update
Date: 14th September 2023
Purpose: For information

Draft Resolution:

FFPMG is asked to:

- **Note** the progress against plan for Internal Audit activities in 2023/24, as set out in Annex A,
- **Consider** the following PCC Internal Audit reports as set out in Annex B:
 - Local Growth Hub Grant sign off
 - Loans - Default Process - Full audit review

1. Background

There is no legal requirement for the Solent LEP to procure internal auditing services, however as the Accountable Body (AB), Portsmouth City Council, is required to 'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes' in accordance with the Accounts and Audit Regulations 2015 Section 5. Solent LEP and PCC signed a Service Level Agreement for the provision of Internal Audit Services. The SLA is periodically reviewed and any changes in the provision of services provided will be included.

2. Purpose of report

This report is to inform the FFPMG of the status of the agreed audits and to give a summary of the audits completed since the last reporting period as detailed above (Annex A & B).

3. Reporting on progress to plan and audits completed since the previous reporting period:

Two audits have been completed since the previous reporting period and details of the results are contained within Annex B.

4. Conformance with Public Sector Internal Audit Standards (PSIAS)

Under PSIAS 1310 there is a requirement that, as part of the quality assurance and improvement programme internal and external assessments (of conformance with the Standards) must be undertaken. Standard 1311 allows for periodic self-assessments, which for Portsmouth City Council has been carried out each year since the standards were introduced.

Standard 1312 require that an external assessment must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation. For 2022/23 an

external assessment was undertaken in agreement with the standards and key individuals within Portsmouth City Council. The results confirm the Internal Audit Service's conformance to PSIAS.

5. Summary

Progress has been made to complete the 2023/24 audit plan as noted above.

Further information about any aspects of this report can be obtained from Elizabeth Goodwin (Chief Internal Auditor), or Paul Somerset (Deputy Chief Internal Auditor).

FFPMG members are asked to.

- **Note** the progress against plan for Internal Audit activities for 2023/24 as set out in Annex A,
- **Consider** the following PCC Internal Audit reports as set out in Annex B:
 - Local Growth Hub Grant sign off
 - Loans - Default Process - Full audit review

14.09.2023

Item 6 - Appendix A

Internal Audit Plan Progress Update

Annex A Annual Audit Plan 2023/24 Progress

Activity	No. of days	Date of last full audit & Assurance Level	Audit Result 2023/24	Comments
Local Growth Hub (Solent)	5	2020/21 Assurance	Assurance	No exceptions arose during testing.
Purchase Cards	5	2018/19 Reasonable Assurance	TBC	
Loans - Default Process	10	2020/21 followed up 2021/22 Assurance	Assurance	No exceptions have been raised following audit testing, although this report notes that a review of the corrective action list wording may be useful for clarity. Testing revealed that adherence to the specifics of the corrective action list is discretionary but, fundamentally, action taken by the LEP and Accountable Body in response to the potential defaults appears fair and proportionate
Risk Management	10	2017/18 Followed up 2019/20 Assurance	TBC	TBC
Compliance with Financial Framework Follow Up	3	2022/23 Follow up in 2023/24 Limited Assurance	TBC	TBC
Investigations	10	-	-	Scope to be determined as and when required.
Contingency	10	-	-	Scope to be determined as and when required.
TOTAL	53	-	-	

14.09.2023

Item 5 - Appendix B

Internal Audit Reports

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