



**Solent Local Enterprise Partnership**  
**Meeting of the Board to be held on Friday 20 October 2023**  
**09:00 to 12:00**

Item	Title	Time
1.	Welcome and apologies for absence	09:00 – 09:05
2.	<ul style="list-style-type: none"> <li>a. Notes of the meeting held on 21 July 2023</li> <li>b. Matters Arising and declarations of interest</li> </ul>	09:05 - 09:15
3.	HM Government update	09:15 - 09:30
	<b>LEP Matters requiring board decision</b>	
4.	Establishment of Solent Partners to include: <ul style="list-style-type: none"> <li>a. Report from Governance Working Group and adoption of Solent Partners Articles</li> <li>b. Subsidiary transition</li> <li>c. Corporate committee transition</li> <li>d. Solent Partners Board and committee appointments / recruitment</li> <li>e. Launch arrangements - including Solent Partners website</li> <li>f. Contract novations</li> <li>g. Next steps</li> </ul>	09:30 - 10:45
5.	LEP Core Function Transition, to include update on Local Authority engagement and establishment of future engagement forum	10:45 - 11:00
6.	Funding, finance and performance management report to include; <ul style="list-style-type: none"> <li>a. New Funding Calls</li> <li>b. Local Growth Programmes</li> <li>c. Mid-year review of corporate plan</li> <li>d. 2023/24 budget and financial forecasts to 2025/26</li> <li>e. Review of Risk registers</li> </ul>	11:00 – 11:50
	<b>LEP Matters for note</b>	
7.	General updates to include: <ul style="list-style-type: none"> <li>a. The Solent Cluster</li> <li>b. Report from business support task force</li> <li>c. Update from Solent Growth Hub</li> <li>d. Digital Skill Partnership, CEC activity and Skills bootcamp</li> </ul>	11:50 – 11:55
8.	Any other business and date of next meeting <ul style="list-style-type: none"> <li>• Forward Plan</li> </ul>	11:55 – 12:00

**20.10.2023**

**Item 2**

**Notes of meetings held on 21 July 2023**



**SOLENT  
LOCAL  
ENTERPRISE  
PARTNERSHIP**

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

Held on Friday 21 July 2023 at 09:00 - 12:00 at The Board Room, QinetiQ - Portsdown Technology Park, Southwick Road, Portsmouth PO6 3RU and via Microsoft TEAMS

<b>Present</b>	<b>In Attendance</b>
Anne-Marie Mountifield	Amy Stamp (Portsmouth City Council, as the Accountable Body)
Rachael Randall (Chair)	Crispin Dick (Company Secretary)
Graham Galbraith	Jack Elias (DLUHC)
Jo Sawford (via TEAMS)	James Fitzgerald (Portsmouth City Council, as the Accountable Body)
Julie Jones Evans	Lloyd Clark (Portsmouth City Council, as the Accountable Body)
Nick Loader (via TEAMS)	Nicola Twiddy (LEP Executive)
Paula Swain	Paul Somerset (Portsmouth City Council, as the Accountable Body) (For Item 6 only)
Salli Shapcott	Richard Jones (LEP Executive)
Steve Jordan (for Alex Rennie)	Richard Turl (DLUHC)
Steve Pitt (via TEAMS)	Stuart Baker (LEP Executive)
<b>Apologies</b>	<b>Guests</b> (For Item 1 & 2 only)
Alex Rennie	David Williams - Portsmouth City Council
Brooke Hoskins	Mike Harris - Southampton City Council (via TEAMS)
David Youngs	Lora Peacey Wilcox - Isle of Wight Council (via TEAMS)
Edward Heron	Wendy Perera - Isle of Wight Council (via TEAMS)
Graham Barnetson	
Satvir Kaur	

<b>Item</b>	<b>ACTION</b>
<p><b>1. Welcome and Introduction</b> The Chair welcomed all to the meeting and a warm welcome was extended to David Williams, Mike Harris, Lora Peacey Wilcox and Wendy Perera who joined the meetings for Items 1 &amp; 2.</p> <p><b>Apologies for Absence</b> Apologies were noted from Alex Rennie, Brooke Hoskins, David Youngs, Edward Heron, Graham Barnetson and Satvir Kaur.</p>	

	<p><b>Introduction to the National Maritime Systems Centre at Portsdown technology Park – Stuart Hider, programme Director Maritime - QinetiQ</b> Stuart Hider gave a presentation on the heritage of QinetiQ, their defence offering and the development of Portsdown Technology Park.</p> <p>The Boards thanks were passed to Stuart Hider for the presentation and to QinetiQ for hosting the meeting today. Stuart Hider left the meeting.</p>	
<p><b>2.</b></p>	<p><b>Devolution Update</b> Roundtable introductions took place.</p> <p>An update was provided on the LEP integration work and the Governments evidence collection exercise. It is expected that HM Government will publish their response to this either in week commencing 24 July or after summer recess in September.</p> <p>Local Authority representatives provided an update on the engagement with HM Government in relation to devolution and likely next steps.</p> <p>There was agreement of the importance of getting a deal that works for the economic functional area, which would build on the partnership working already in place.</p> <p>Following the discussion, questions and comments were shared regarding next steps and The Board:</p> <ul style="list-style-type: none"> <li>• <b>Agreed</b> to write to Government to provide their support for a Solent Devolution Deal.</li> </ul> <p>Mike Harris left the meeting (10:37)</p>	<p><b>Board</b></p>
<p><b>3.</b></p>	<p><b>HM Government Update</b> Richard Turl provided the HM Government update as follows -</p> <p>Earlier this month the Secretary of State for DLUHC, spoke at the Local Government Association (LGA) Conference on the importance of the new approach to the next Levelling Up Programme. Guidance on the programme was shared at the conference and an announcement on the launch of the next round is awaited.</p> <p>No details are available yet on whether HM Government will extend the deadline for accessing the tax incentives on designated tax sites in any English Freeport beyond 30 September 2026. DLUHC representatives at the meeting advised that they would follow this up.</p> <p>The Boards thanks were passed to David Williams, Lora Peacey Wilcox and Wendy Perera for attending the meeting and they left the meeting (10:45).</p>	<p><b>DLUHC</b></p>
<p><b>4.</b></p>	<p><b>A. Notes of the last meeting held on 26 May 2023</b> The minutes from the Board meeting on 26 May 2023 were <b>Agreed</b>.</p> <p><b>B. Matters Arising and Declarations of Interest</b> <u>Matters Arising</u> The following matters arising were raised: Page 3 - at the last Board meeting, the Board agreed to nominate the LEP Deputy Chief Executive, Richard Jones as an Alternate Director on Solent Freeport Consortium Limited. All formalities to put this in place have been concluded. Page 3 - Annual Performance Review - a letter will be submitted from the Board to contextualise the position.</p>	<p><b>Executive</b></p>

	<p>Page 8 - an update was provided on Local Visitor Economic Partnerships (LVEPs).</p> <p>All other matters will be covered as part of the meeting.</p> <p><u>Declarations of Interest</u> The following interests were noted ahead of the meeting:</p> <p><u>Anne-Marie Mountifield</u> Item 6 - Maritime UK Solent Ltd Non-Executive Director General - Non-Executive Board Director for VIVID</p> <p><u>James Fitzgerald</u> Item 5 - Accountable Body for Solent Freeport Consortium Ltd</p> <p><u>Nick Loader</u> Item 5 - Employer has a commercial relationship with ABP, unrelated to any LEP project.</p> <p><u>Paula Swain</u> Item 5 - Solent Freeport Consortium Ltd Director</p> <p><u>Richard Jones</u> Item 5 - alternate director of Solent Freeport Consortium Ltd</p> <p><u>Stuart Baker</u> Item 6 - Maritime UK Solent Ltd Executive Director</p> <p>Julie Jones-Evans and Steve Pitt have been appointed as Members on the South-West Arts Council. (Satvir Kaur is already a Member).</p> <p><u>General Noting</u> Item 5 Appendix F (Risk Register) - Board Members are asked to delegate the agreement of the LGD risk register to the LEP Deputy 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><b>5.</b></p>	<p><b>Finance, Funding and Performance Management report</b></p> <p>The Finance paper was taken as read and Lloyd Clark provided an overview of the paper to highlight the reports have been adapted to align with the new corporate plan and 3-year budgets are in place for the corporate missions. The budgets have been updated to include the skills bootcamp programme, the new revised forecasts and the reprofiling of the Growing Places Fund.</p> <p><u>Solent Freeport Projects loan</u> Paula Swain, Steve Pitt, James Fitzgerald and Richard Jones left the meeting (11:01)</p> <p>The Board:</p> <ul style="list-style-type: none"> <li>• <b>Noted</b> the Solent Freeport Projects loan update in paragraph 6 and <b>Agreed</b> to release the earmarked Growing Places Loan Funding back into the budget and set aside Local Growth Deal loan funding for a potential SME support fund with the Solent Freeport.</li> </ul>	<p><b>Executive &amp; AB</b></p>

<p>Paula Swain, Steve Pitt, James Fitzgerald and Richard Jones joined the meeting (11:07)</p> <p><u>New Funding Call</u></p> <p>Following the equity opportunity discussions at the LEP Board meeting on 26 May 2023, it was agreed that the LEP would move away from the consideration of equity funding investments and work on the development of a new Loan Funding product as part of a future funding call. The Executive has begun the process to design and target an updated Loan Fund offer with a draft prospectus and launch proposal for the next LEP Board meeting in October.</p> <p>The Board:</p> <ul style="list-style-type: none"><li>• <b>Noted</b> the Funding Call update in paragraph 5.</li></ul> <p>Paul Somerset joined the meeting (11:15)</p> <p><u>Solent Enterprise Zone</u></p> <p>A new draft MoU has been sent to the two rating authorities (Fareham and Gosport Borough Councils) for comment but no response has been received. FPPMG have recommended that the LEP Board write to the local rating authorities in relation to the Enterprise Zone retained rates to reach a final version of the MoU which is agreed by all parties.</p> <p>The Board:</p> <ul style="list-style-type: none"><li>• <b>Considered</b> the update under paragraph 7 for the Enterprise Zone and <b>Agreed</b> that the Solent LEP Chair write to the two rating authorities requesting a formal meeting to discuss the MoU.</li></ul> <p><u>Solent LEP Statutory Accounts</u></p> <p>As the Solent LEP are set up as a private company limited by guarantee there is a requirement to submit annual statutory accounts nine months after the end of the LEP's financial year. These accounts have been prepared by the Accountable Body ready for submission.</p> <p>The Board:</p> <ul style="list-style-type: none"><li>• <b>Noted</b> the Solent LEP statutory accounts as prepared by the Accountable Body at Appendix H and <b>Agreed</b> for the Chair to sign them off.</li></ul> <p><u>Project Updates</u></p> <p>Project updates were provided and The Board:</p> <ul style="list-style-type: none"><li>• <b>Considered</b> the project specific updates by exception at Appendix G and <b>Approved</b> the associated recommendations, noting the updated recommendation under paragraph 4.</li></ul> <p>The Boards thanks were passed to the Executive and Accountable Body Teams for their work on supporting projects.</p> <p>The Board:</p> <ul style="list-style-type: none"><li>• <b>Approved</b> the revised budget for 2023/24 of £9,897,737 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:</li></ul>	<p><b>Executive &amp; Chair</b></p> <p><b>Chair</b></p> <p><b>Executive &amp; AB</b></p>
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	<ul style="list-style-type: none"> <li>• The current position of the LEP Loan Funds available as summarised in appendix D.</li> <li>• The latest position of the Local Growth Deal and Getting Building Funds as set out in appendices E1 and E2 respectively.</li> <li>• The re-profiling and budget movements as set out in the table in the financial dashboard in Appendix A.</li> </ul> <p>The Board also:</p> <ul style="list-style-type: none"> <li>• <b>Noted</b> and <b>Agreed</b> the Corporate and Strategic Risk Register at appendix C, noting that the impact of inflation will also be recorded on the risk register going forward.</li> <li>• <b>Considered</b> the high-level Risk Matrix for the Local Growth Programme at appendix F and <b>delegated</b> its Approval to the LEP Deputy Chief Executive and the Accountable Body's section 151 officer.</li> <li>• <b>Noted</b> the update on the new funding in paragraph 3.</li> </ul>	<p><b>Executive &amp; AB</b></p> <p><b>Executive &amp; AB</b></p>
<p><b>6. Governance update</b></p>	<p>The paper was taken as read.</p> <p>a. <u>Government response to LEP integration review and progress on phase 1 transition of 3-year corporate plan</u></p> <p>The Board:</p> <ul style="list-style-type: none"> <li>• <b>Noted</b> the update in relation to LEP integration and Corporate Plan implementation, and;</li> <li>• <b>Agreed</b> the Corporate Plan at Annexe A for publication.</li> <li>• <b>Delegated</b> Authority to the Chair and Chief Executive to take forward the communications activity linked to the corporate plan publication and to publish the plan of engagement, to include the re-establishment of the Solent Leaders Forum.</li> <li>• <b>Agreed</b> to reconvene the Governance Working Group to review draft Articles of Association ahead of consideration by the Board at their next meeting.</li> <li>• <b>Agreed</b> the policy in relation to LEP Board attendance and delegate authority to the company secretary to seek any alternative representative nominees and establish data sharing agreements.</li> <li>• <b>Noted</b> to update on the work to implement the corporate plan.</li> </ul> <p><u>Maritime UK Solent</u> Anne-Marie Mountifield and Stuart Baker left the meeting (11:50)</p> <p>The Board:</p> <ul style="list-style-type: none"> <li>• <b>Agreed</b> the Articles of Association for Maritime UK Solent, subject to agreement of the Maritime UK Solent Board, and;</li> <li>• <b>Agreed</b> to cease the Solent LEPs membership of Maritime UK Solent, subject to the appointment of Solent Partners as a member of Maritime UK Solent, and;</li> <li>• <b>Agreed</b> to transfer the membership of Maritime UK from the Solent LEP to Maritime UK Solent.</li> </ul> <p>Anne-Marie Mountifield and Stuart Baker joined the meeting (11:52).</p> <p>Richard Jones left the meeting (11:52).</p>	<p><b>Executive Chair &amp; Executive</b></p> <p><b>Executive &amp; GWG Company Secretary</b></p> <p><b>MUKS Board</b></p> <p><b>Executive</b></p>

	<p>Anne-Marie Mountifield will be retiring from the Solent LEP Chief Executive role on 13 August 2023 and will also resign from the Board E Director position on this date.</p> <p>The Board: <b>Agreed</b> the appointment of Richard Jones as Solent LEP E Director and Stuart Baker as the alternate E Director to take effect on 13 August 2023.</p> <p>Richard Jones joined the meeting (11:54).</p> <p>b. <u>2022/23 Annual report from SERCOM</u> The report was taken as read.</p> <p>The Board:</p> <ul style="list-style-type: none"><li>• <b>Agreed</b> the 2022/23 Annual Report from the Search, Employment and Remuneration (SER) Committee</li></ul> <p>c. <u>2022/23 Annual Internal Audit report</u> The Report was taken as read and the Boards thanks were passed to the Audit and Executive Teams for the work undertaken under the audit plan.</p> <p>The Board:</p> <ul style="list-style-type: none"><li>• <b>Noted</b> the Annual Audit Opinion in relation to audit work carried out during 2022/23.</li></ul>	
7.	<p><b>General updates from Board Leads – for note</b> The update was taken as read and <b>noted</b> by the Board.</p>	
8.	<p><b>Any other business</b> The Forward plan was reviewed.</p> <p>The Board:</p> <ul style="list-style-type: none"><li>• <b>Considered and Agreed</b> the Forward Plan.</li></ul> <p>The next meeting is scheduled for 20 October 2023.</p> <p>The Board gave their thanks to Anne-Marie Mountifield for all the hard work and contribution made to the Solent over the last 10+ years.</p> <p>No further business, so the meeting was closed.</p>	

**Meeting closed at 11:58**



**20.10.2023**

**Item 3**

**HM Government Update**

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

**20.10.2023**

**Item 4**

**Establishment of Solent Partners**

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

**20.10.2023**

**Item 5**

**LEP Core Function Transition**



## Item 5

**Title:** LEP Core Function Transition  
**Date:** 20 October 2023  
**Purpose:** For information

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### Draft resolution

Board Members are asked to:

- **Note** the update in relation to local authority engagement to date, and;
- **Note** the emerging position in relation to the Solent Partners interface with a Solent Economic Growth Panel, and;
- **Agree** to continue to engage with all local authority partners on opportunities to draw on Solent Partners to support regional decision making and ongoing development of the broad economic strategy for the area.

### Background

Board Members will be aware that on 4<sup>th</sup> August 2023, the Government published Guidance for Local Enterprise Partnerships (LEPs) and local and combined authorities: integration of LEP functions into local democratic institutions. A full copy of the published guidance is available at: <https://www.gov.uk/government/publications/local-enterprise-partnerships-integration-of-lep-functions-into-local-democratic-institutions/guidance-for-local-enterprise-partnerships-leps-and-local-and-combined-authorities-integration-of-lep-functions-into-local-democratic-institutions>

In response to this guidance, the LEP is required to reach a local agreement with their accountable body on the management and transfer of a range of areas including assets and funds. In the Solent, the LEP Board and Accountable Body have through the establishment of Solent Partners agreed a three-year corporate plan based on the funding currently held by the Accountable Body on behalf of the LEP and an update on the implementation of this transition is provided under item four.

Arrangements for the transfer of core functions of LEPs (previously supported through the allocation of LEP Core funding), namely business representation and local economic planning, are different. For ease of reference, the guidance in relation to these areas is extracted as follows:

***Business representation – embedding a strong, independent, and diverse local business voice into local democratic institutions***

*Government encourages single upper tier local authorities, or local authorities working together across a prospective devolution deal geography or functional economic area, to create or continue to engage with an Economic Growth Board (or similar) made up of local business leaders and relevant representative bodies to (a) provide the view of local*

*businesses as part of regional decision making and (b) work with local leaders to create a broad economic strategy for the area.*

*Business representative boards should follow the below guiding principles for ensuring business representation in local decision-making:*

*a. Involve business representative organisations, such as a local Chamber of Commerce, the Federation of Small Businesses; or the designated Employer Representative Body (ERB) developing the Local Skills Improvement Plan (LSIP);*

*b. Include a diverse range of businesses related to local economic strengths and priorities. This should include businesses of all sizes and businesses which are geographically diverse, e.g., urban, rural, coastal businesses as appropriate to the local area;*

*c. Ensure a diversity of voices; and*

*d. Have a clear conflict of interest policy.*

### **Strategic economic planning**

*Government encourages areas to produce – or continue to update – economic strategies to support local decision making, building on the plans currently developed and overseen by LEPs. Areas should share data, intelligence, and analysis as appropriate to support the needs of current and future government programmes.*

*Areas bidding for local growth funding in future may be asked to demonstrate how their proposal fits into their local economic strategy.*

*Further guidance on LEP functions (1) and (2), namely business representation and local economic planning, will be provided to relevant local authorities by January 2024.*

It should be noted that advice in relation to "Economic Growth Boards" set out within the integration guidance referenced above, builds on the advice published within the English Devolution Accountability Framework published in March 2023, which establishes that:

*All institutions with devolved powers should embed a strong, independent, and diverse local business voice into their decision-making processes. Any newly integrated business voice function should play an active role in partnerships such as Town Deal Boards, where those partnerships currently have Local Enterprise Partnership (LEP) participation at the request of local partners.*

*This business board should build on the success of existing LEP boards wherever possible. Local leaders will also have the flexibility to adjust the membership of the newly integrated business board, including by inviting the participation of local economic partners outside of the business community, and can re-brand as necessary. Any new business board members must be appointed through an open process. That process should ensure appointees are politically independent and able to provide a constructive check and challenge on local decision-making using their private sector perspective.*

At the 21<sup>st</sup> July 2023 Board meeting, the LEP Board agreed the importance of securing a devolution deal that works for the functional economic area, which would build on the partnership working already in place and agreed to write to Government to provide their support for a Solent Devolution Deal. A copy of the letter submitted to HM Government following the Board meeting is provided for reference at Annexe A.

Whilst it is recognised that feedback received from local authority partners suggests that there is no current prospect of a devolution deal in the Solent area, the LEP Board have previously agreed to establish the Board of Solent Partners in line with the requirements of the English Devolution Accountability Framework with a view to ensuring that a compliant business board (or Economic Growth Board as referred to within the integration guidance), is available for authorities in the Solent area to draw upon should they wish to do so in the future.

Subject to the Board's consideration of the Solent Partners Articles developed by the Governance Working Group under item 4, the Board for Solent Partners will be established accordingly and available for partners to draw on. The Solent LEP have engaged with all local authorities in the Solent, including sharing a copy of the Corporate Plan for Solent Partners, with all authorities and have extended an offer to the upper tier and unitary authorities in the Solent to draw on the Solent Partners Board as a business board for the area.

In relation to the current position, the unitary authorities of Portsmouth, Southampton and Isle of Wight have indicated that they do wish to draw on Solent Partners as a mechanism to benefit from the view of local businesses as part of regional decision making and ensure that local leaders can continue to work effectively with local business on the development of Solent 2050, building on the economic strategy developed through the Solent LEP. The authorities have written to Government in partnership with the Solent LEP following the publication of the guidance on integration of LEP functions into local democratic institutions in this regard and a copy of this letter is provided at Annexe B.

At the time of writing, Hampshire County Council have not provided a response to the offer to draw on the Board of Solent Partners and a formal position is awaited. Notwithstanding this, it is understood that Hampshire County Council have written to the leaders of the Unitary Authorities stating that “the County Council will not be joining the recently created Solent Partners and that this partnership will have no democratic mandate for the oversight or delivery of government mandated responsibilities or programmes in the Hampshire County upper tier area. There is, however, an absolute commitment on the County’s part to continue to work with all neighbouring authorities on agreed priorities for the good of all of our residents, businesses and communities”.

The Cabinet of Hampshire County Council are due to consider a proposal to establish a Hampshire-wide Economy and Skills Board which will become the conduit for the County Council's strategic discussion and decision making for the whole County area around their wider economic agenda, working with neighbouring local authorities on a wider pan-regional scale where appropriate. This will include their relationships with Surrey to the North East as well as Southampton, Portsmouth and Isle of Wight to the South, but also strengthening their strategically important economic relationships with Dorset, Wiltshire, West Sussex and West Berkshire. In recognition that business engagement is critical to determining priorities it is also understood that Hampshire County Council are considering the establishment of a County-wide Business Forum which will sit below the Economy and Skills Board to engage the County’s key employers and to gain critical intelligence about the local economic conditions. A copy of the proposal currently being considered by the County Council is [available here](#) for reference.

Following confirmation of the County Council position, it will be important for Solent Partners to continue to engage with Hampshire to understand the most appropriate mechanism to facilitate engagement with the work of the County-wide business forum - building on the positive business partnerships established through engagement between the Solent LEP and Enterprise M3 LEPs that has previously been undertaken.

In terms of next steps in relation to authorities that have indicated an intention to draw on the Solent Partners Board, it is important to establish the mechanism by which the authorities are able to engage with the Business Board of Solent Partners. Whilst the Government guidance transfers the core-functions of LEPs to unitary and upper tier authorities, Portsmouth, Southampton and Isle of Wight have expressed a strong desire to ensure that this engagement is also extended to also include the district authorities within the Solent area to ensure that they also have an opportunity to engage with the Board of Solent Partners should they wish to do so.

In order to bring forward proposals in relation to establishing the appropriate structure to facilitate this, Mike Harris, Chief Executive at Southampton City Council, offered to facilitate a local authority engagement and bring forward proposals on a structure for all partners to consider. All authorities have subsequently been engaged, including a collective meeting w/c 28<sup>th</sup> August, and there is a view that the Partnership for South Hampshire represents a potential opportunity to utilise existing local authority architecture in the sub-region to facilitate this engagement.

In relation to this proposal, there is a consideration in relation to membership - as it is recognised that not all authorities that are members of the Partnership for South Hampshire may wish to use this as a forum to engage with Solent Partners and, equally, the membership is not currently aligned as the Isle of Wight are not currently a member of the Partnership for South Hampshire. There is also a requirement to consider the decision-making process and function of the relationship from a Solent Partners perspective; particularly in relation to any strategic activity commissioned by Solent Partners directly and, potentially, any authority that may be provided in the future to enable input to adjustments of Solent Partners Board membership including inviting participation of local economic partners outside of the business community.

Work has been undertaken in relation to this and the emerging proposal is to establish a dedicated Solent Economic Growth Panel (working title) through the Partnership for South Hampshire, with appropriate membership and decision-making powers, that can engage with Solent Partners. It is envisaged that the Board Members of Solent Partners could attend the newly established Solent Economic Growth Panel when in place and where appropriate with a view to providing business intelligence and input into local democratic institutions on the future development of the Solent 2050 economic strategy for the area. An indicative corporate structure for Solent Partners, to include the emerging proposition for a Solent Economic Growth Panel, is included at Annexe C for illustrative purposes only at this stage on the emerging structure.

Mike Harris will be in attendance at the Solent LEP Board meeting to provide an update on progress to date with engagement with local authority partners and the emerging proposal to facilitate interaction through a Solent Economic Growth Panel. It is anticipated that a further update and final proposals will be developed for consideration at the December Board meeting.

Board Members are asked to:

- **Note** the update in relation to local authority engagement to date, and;
- **Note** the emerging position in relation to the Solent Partners interface with a Solent Economic Growth Panel, and;

- **Agree** to continue to engage with all local authority partners on opportunities to draw on Solent Partners to support regional decision making and ongoing development of the broad economic strategy for the area.

### **Legal comments**

As the purpose of this item is only to note the updated position and agree to continue engaging with partners, there are no legal comments per se. The Solent LEP should continue liaising with the AB with regard to the management and transfer of areas including assets and funds to ensure that all required legal and governance pieces are put in place. The AB will need to ensure that it has undertaken all necessary decision-making requirements internally to proceed.

### **Financial comments from the S151 Officer of the Accountable Body**

The Accountable Body hold all the funding that has been awarded to the Solent LEP and has agreed to carry out the same role for Solent Partners. Discussions are ongoing in relation to the transfer of assets as set out in the guidance published on 4th August 2023. This process is expected to be resolved by March 2024 however government recognises that the practical integration and transfer process may stretch beyond that date. The Accountable body will continue to work closely with the Executive and the Board and will provide updates accordingly to set out the financial impacts of any transfer of assets should this position crystallise.

### **Further information**

Further information about any aspects of this report can be obtained from Richard Jones ([richard.jones@solentlep.org.uk](mailto:richard.jones@solentlep.org.uk)) and Mike Harris ([Mike.Harris@southampton.gov.uk](mailto:Mike.Harris@southampton.gov.uk))



**20.10.2023**

**Item 6**

**Finance and Funding Report**

**Item Number:** 6  
**Item Title:** Solent LEP Finance and Funding Report  
**Meeting Date:** 20 October 2023  
**Purpose:** For Information, Advice and Decision

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Confidential information has been removed from this report.

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

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

## 1. Introduction

- 1.1 This report provides the LEP Board with the financial position of the Corporate Plan to 30 September 2023 and the forecast budgets for the period up to and including 31 March 2026.
- 1.2 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.
- 1.3 The report and dashboard set out the major variances and/or reprofiling as well as the key risks for the Board to consider and recommends action where appropriate to ensure that all the LEP's funds are managed proactively and mitigate the potential to have to return any funding to Government.

## 2. LEP Integration

Following the HMG guidance published on 4 August 2023 in respect of the integration of LEP functions ([Guidance for Local Enterprise Partnerships](#)) there are ongoing discussions with the upper tier local authorities in the Solent area and further clarifications being sought from HMG regarding the assets that Portsmouth City Council hold on behalf of the LEP.

The content of this paper is based upon the status quo position of the organisation and sets out the associated risks. Board members will note that there are a range of recommendations in the paper related to the allocation of funding to support existing budget pressures on existing business activities which need to continue and any changes to the budget have been prepared on this basis.

As covered in items 4 and 5 of the agenda, there are ongoing discussions regarding future use of the range of funding streams held on behalf of the LEP and as these conversations develop and further clarity is received, the Accountable Body will highlight any financial risks that may arise.

## 3. Recommendations

3.1 It is recommended that the LEP Board:

- (i) **Approve** the revised budget for 2023/24 of £5,534,295 as set out in Appendix A1 and **Note** the revised indicative budgets 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.

The 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 Chief Executive and the Accountable Body's section 151 officer.
- **Note** the update on the new funding in paragraph 4.1
- **Note** the update on the RRR Loan Fund attached at Appendix G and **Agree** the recommendations contained within it.
- **Consider** and **Agree** the recommended actions relating to the ABP schemes attached at Appendix H.
- **Note** the update on the Branstone Farm project in paragraph 5.2 and **Agree** the recommendations contained within it.
- **Note** the update on the Solent Partners Loan and Grant Fund calls.
- **Note** the Future Funding Bids update in paragraph 7 below.
- **Consider** and **Agree** that core establishment funding and a budget to underwrite other activities is provided for MUK Solent to secure the future of the organisation.
- **Consider** and **Agree** that the Solent Maritime Innovation and Decarbonisation Hub and associated budgets will be transferred over to Maritime UK Solent pending MUK Solent Board approval.
- **Note** the Solent Maritime and Decarbonisation Hub update in paragraph 9 below.
- **Note** the mid-year Corporate Plan performance review at appendix J.

#### 4. **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.

##### 4.1 **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 continues 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.

##### Interest on balances

The Accountable Body have carried out the bi-annual review of the cash balances currently held by the Solent LEP. Due to ongoing challenges with completing the remaining large Local Growth Deal and Getting Building Fund schemes and the current high rates of interest available where the funds held are invested by the Accountable Body, the LEP has earned an estimated £600,000 in interest between April 2023 and September 2023. Based on the latest forecasts and the current economic position it is anticipated that a similar level of interest will be achieved between now and the end of the year.

The additional interest earned in the first six months of the year has been added to the budget and prudently allocated in accordance with the budget pressures set out in the paragraphs of the report below which are yet to be agreed by the Board. Should Board members not agree with any of the recommendations set out in the report, the interest balances will be moved to contingency and reserves and reallocated at a future Board meeting.

It should be noted that the funding gained from interest on balances cannot be seen as a secure ongoing income stream to rely on. The windfall this financial year is a culmination of the current economic climate, delays in allocated grant funding defrayal, and the transition period for moving to Solent Partners where the consideration of launching new funding calls is taking place. The intention of the business is always to ensure that funding held is defrayed for economic growth in the Solent.

## 4.2 **Reprofiling**

### Establishment Costs

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 Partners executive structure develops with SERCOM over the coming months, the staff budget allocations will continue to be reviewed and reported back to Board members. The reprofiling changes are highlighted in the table set out in Financial Dashboard at Appendix A.

### Careers and Enterprise Company (CEC)

The LEP received a maximum funding award from the CEC of 330k for the academic year 2023/24. This included a match funding element to be funded from the LEP and partnering local authorities. The maximum funding allocation was added to the budget back in May 2023 but since then, there have been delays in recruiting to vacant posts as well as a turnover of existing staff, therefore a full complement of CEC staff is not expected to be achieved until November 2023. As a result, the maximum grant allocation will not be drawn down from the CEC and the budget has been updated to reflect this.

### Local Growth Deal Schemes

Defrayal of Local Growth Deal grant funding has been reprofiled for a number of projects as highlighted in the dashboard. The updated positions for each of these projects are included in the risk register at Appendix F.

## 5. **Current Financial Year**

The revised budget of £5,534,295 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.

### 5.1 Local Growth Deal and Getting Building Fund

As the LEP 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.

Due to significant delays with a number of LGD schemes highlighted in appendix F and a delay in issuing the new loan funding calls, the forecast expenditure of grant funding is now expected to be £300k in 23/24 for LGD specific schemes. A total of £300k is expected to be defrayed in terms of GBF grant funding in 23/24 which relates to the Solent Maritime Innovation and Decarbonisation fit out works.

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

### 5.2 Specific Project Updates by Exception

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

where the updates and actions are of a confidential nature, Board members are redirected to the relevant confidential appendix.

### RRR Loan Fund

A separate report setting out the latest position of a specific project is attached at confidential Appendix G. The LEP Board are asked to:

- **Consider** and **Agree** the recommended actions relating to the RRR loan fund attached at Appendix G.

### ABP - Shore Power Initiative and Port of Southampton Cruise Terminal 5

A separate report setting out the latest position of these projects is attached at confidential appendix H. The LEP Board are asked to:

- **Consider** and **Agree** the recommended actions relating to the ABP schemes attached at Appendix H.

### Branstone Farm

In 2021, Solent LEP awarded £2,225,000 of Getting Building Fund monies to Isle of Wight Council to create a phased development of a mixed-use scheme at Branstone Farm of housing, employment units and a biodiversity park.

FFPMG have considered updates on the Branstone Farm project at their February, June and September meetings. Work on the development is almost complete, with widening to the road creating an entrance filter lane the final task. This is underway and due to complete by the end of October. In June 2023 FFPMG agreed to recommend that Board extend the delivery period of the project to the end of October 2023.

In addition to this change, the contractual job outputs have been scrutinised to ensure they are fit for purpose. It has come to light that the original calculation reflected in the grant funding agreement presented a total job figure for the site, and did not take into account existing jobs. As a result, FFPMG have agreed to recommend to the Board that the new jobs figure is reduced from 100 to 55 and the safeguarded jobs figure is increased from 10 to 59. Overall, this represents an increase in jobs supported from 110 to 114, and places increased emphasis on safeguarded jobs.

The FFPMG recommend that the Board:

- **Note** the update to the Branstone Farm project.
- **Agree** to extend the delivery timescale to 31 October 2023.
- **Agree** to amend the outputs as set out in this update.
- **Delegate Authority** to the LEP Executive and Accountable Body to finalise these arrangements.

## 6. Funding Call Update

Following the ongoing discussions with the upper tier local authorities in the Solent area and further clarifications being sought from HMG regarding the assets that the LEP hold, a decision has been made to pause the works carried out on a new loan and SME grant funding call. The plans to launch the funds at Venturefest on 16<sup>th</sup> November 2023 have been postponed and the Executive will look to present the loan and SME grant proposals at a future Board meeting once a position on LEP assets has been established.

## 7. Future Funding Bids

### Skills Bootcamps

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

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 almost complete with contracting expected to start in October 23 and delivery expected by March 24. DfE have also contacted the LEP regarding funding for the financial year 2024/25 and the Executive have submitted a proposal for further grant funding of £2m for 2024/25.

### 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, and the responsibility for providing the identified areas with funding for which the £3.8m bid will provide for. The bid was submitted in early September, and should the bid be successful then projects are required to complete by 31 March 2025.

### Creative Growth Programme (CGP)

The CGP is an expansion of the Creative Scale Up pilot (2019-2021), which provided the Greater Manchester, West Midlands and West of England Combined Authorities with a package of business and investor support to help creative businesses to scale and access finance outside London. The CGP will build on the success of the pilot to provide six regions in England outside London with a bespoke package to support high-growth potential creative businesses and build investor networks. The support package will comprise three complementary strands: business support targeted at the creative industries; finance; and investor capacity building activities.

The LEP have submitted a grant funding bid of £520k and, if successful, would be directly responsible for delivering targeted business support to high-growth potential creative businesses.

## **8. 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 undertaken a range of activity through which they have connected the sector including connecting 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 two Maritime UK Solent Awards, where the very best of the Solent's our maritime sector was 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 met in October to 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 future budgets. The MUK Solent establishment consists of one Programme Manager and a percentage of LEP resource for the Managing Director Role, Governance, and Marketing and Communications. It is therefore

recommended that the allocation set aside for funding these posts of £280k over the next two financial years is transferred to MUK Solent to continue funding the core establishment obligations.

To further secure the future of MUK Solent, it is also recommended that a budget provision is created to underwrite MUK Solent activities outside of their establishment costs. Whilst the expectation is that the MUK Solent Board will create a long-term revenue strategy, it would be prudent to set aside funding to cover any costs that MUK Solent may fail to cover from income generation in order for the business to continue to operate. This would be set at a total of £250k over the next two financial years, and any remaining balances would roll across to future years if unused. In addition to this, the MUK Solent Board have expressed an interest in strategically managing the Solent Maritime and Decarbonisation Hub once the fit-out works have completed and the Hub is opened in spring 2024. Should Board members agree to this, it would be recommended that the budget created to underwrite the operating costs of the Hub cited in paragraph 9 below should also form part of the funding provided to MUK Solent. It is envisioned that as a condition of managing the Hub, that MUK Solent would take on the financial responsibility and risk of any surplus or deficits that the Hub may generate.

Since the Solent LEP provided the early years 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 within the main financial appendices. An additional appendix with a detailed breakdown of any Solent Partner subsidiary accounts will also be provided as a note and not for decision at future Board meetings. 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.

The LEP Board are asked to:

- **Consider** and **agree** that core establishment funding and a budget to underwrite other activities is provided for MUK Solent to secure the future of the organisation.
- **Consider** and **agree** that the Solent Maritime Innovation and Decarbonisation Hub and associated budgets will be transferred over to Maritime UK Solent pending MUK Solent Board approval.

## 9. **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 fitout of the Centre, with a further amount to be made available to the SME grant programme (circa £500,000) which will presented to the Board at a later date. The Solent Freeport Seed capital funding element of the scheme is required to be spent by 31<sup>st</sup> March 2024.

To achieve an opening of April 2024 the LEP executive have paralleled aspects of the delivery. An Employers Agent has been appointed to manage the delivery of the fit out works of the Hub and the process of tendering for a contractor for the fit-out works is due to start shortly.

The Executive and Accountable Body have reviewed the operating costs of running the Hub based on the proposed heads of terms for the lease in terms of affordability and the details can be found in confidential appendix I. A provision to underwrite the full operating costs to 2025/26 has been built into the budget to both demonstrate the financial impact and sustainability of the project.

As per paragraph 8 above, it is recommended that Solent Maritime Innovation and Decarbonisation Hub and associated budgets will be transferred over to Maritime UK Solent pending MUK Solent Board approval.

A verbal update on the Solent Maritime Decarbonisation Hub will be provided at the meeting.

## 10. **Corporate Plan Mid-Year Review**

The Solent Partners Corporate Plan is now six months into its first year. The Board is asked to consider the delivery against the Corporate Plan at this point with a view to scrutinising performance against the five missions. Appendix J sets out the detail of progress to date.

Board Members are asked to **Note** the mid-year Corporate Plan performance review.

## 11. **Financial Summary**

As stated in paragraph 2 of this report, the content of this paper is based upon the status quo position of the organisation and sets out the associated risks as although there are ongoing discussions regarding the impact of the integration of LEPs, the business needs to be able to continue and deliver its current core functions and contractual commitments. As ongoing conversations develop and further clarity is received, the Accountable Body will highlight any financial risks that may arise for the LEP / Solent Partners going forward.

In terms of the business-as-usual activities, 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 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:

*Approve the revised budget for 2023/24 of £5,534,295 as set out in Appendix A1 and note the revised indicative budgets 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.

### **MUK Solent Funding**

Where money is paid to Maritime UK Solent from the Solent LEP, it must be ensured that all required contractual and/or governance record keeping is in place

#### **14. Financial comments from the S151 Officer of the Accountable Body**

All financial implications are included in the body of the report and the appendices.

**20.10.2023**

**Item 6 - Appendix A**

**Financial Dashboard**

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.

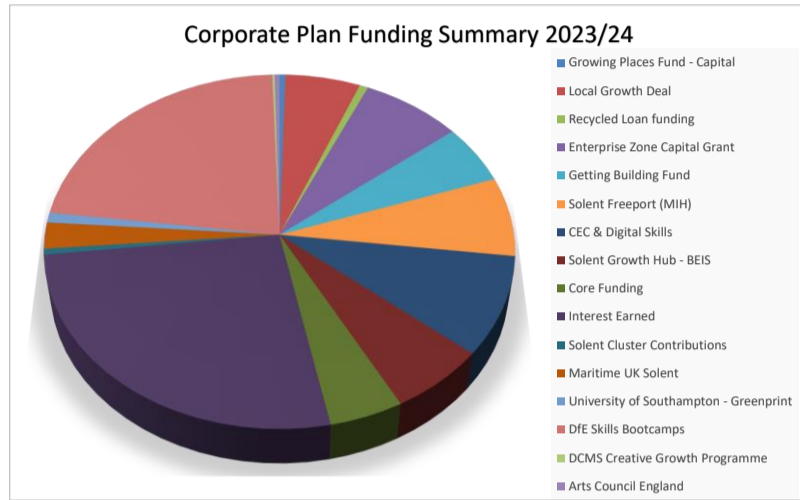
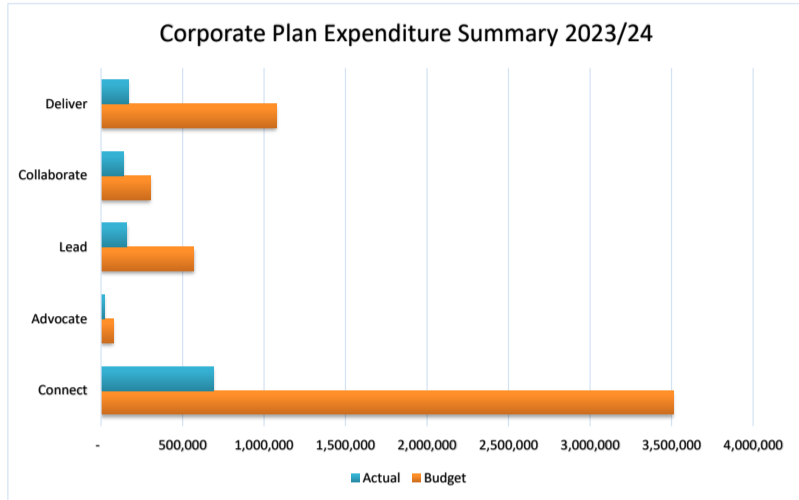


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### Financial Dashboard

#### Corporate Plan 2023/24 Budget Forecast

<b>Full Year Budget 2023/24</b> (As agreed at LEP Board 21 July 23)	<b>Full Year Forecast and Proposed Revised Budget</b>	<b>Expenditure as at 30th September 2023</b> <i>(Figure does not include 22/23 accruals)</i>	<b>Forecast Remaining Expenditure to 31st March 2024</b>	<b>Forecast Over / (Underspend) for the Year</b>
£9,897,737	£5,534,295	£1,173,823    21%	£4,360,472    79%	£0



#### Board Headlines:

##### New Funding & Reprofile of budget

		Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Total
<b>Budget Agreed at Board on 21 July 2023</b>		<b>£9,897,737</b>	<b>£14,588,903</b>	<b>£13,129,945</b>	<b>£37,616,585</b>
DCMS Creative Growth Programme Bid Writing	New	£9,500	£0	£0	£9,500
Solent Growth Hub	Reprofiled	£0	£-25,000	£25,000	£0
CEC	Reprofiled	£-91,620	£26,570	£0	£-65,050
MUK Solent	Reprofiled	£-153,900	£-4,966	£0	£-158,866
Interest - MUK Solent Funding Underwrite	New	£0	£125,000	£125,000	£250,000
Interest - Maritime Innovation Hub - Operation Costs	New	£35,400	£94,500	£98,300	£228,200
Interest - Operating Costs - Legal / Finance / HR / Office	New	£0	£0	£90,000	£90,000
Maritime Innovation Hub - Capital	Reprofiled	£-497,501	£497,501	£0	£0
SME Support Fund - Earmarked for Solent Freeport	Reprofiled	£-250,000	£250,000	£0	£0
SME Support Fund	Reprofiled	£-100,000	£100,000	£0	£0
North Whiteley	Reprofiled	£-1,004,295	£1,004,295	£0	£0
A326 Highway Improvements	Reprofiled	£-1,627,740	£1,627,740	£0	£0
IOW Island Line - Brading Loop	Reprofiled	£-283,200	£0	£0	£-283,200
Solent Prosperity Loan Fund	Reprofiled	£0	£283,200	£0	£283,200
Staffing Provision reprofiling	Reprofiled	£-400,086	£-413,953	£845,839	£31,800
<b>Full Year Forecast and Proposed Revised Budget</b>		<b>£5,534,295</b>	<b>£18,153,790</b>	<b>£14,314,084</b>	<b>£38,002,169</b>

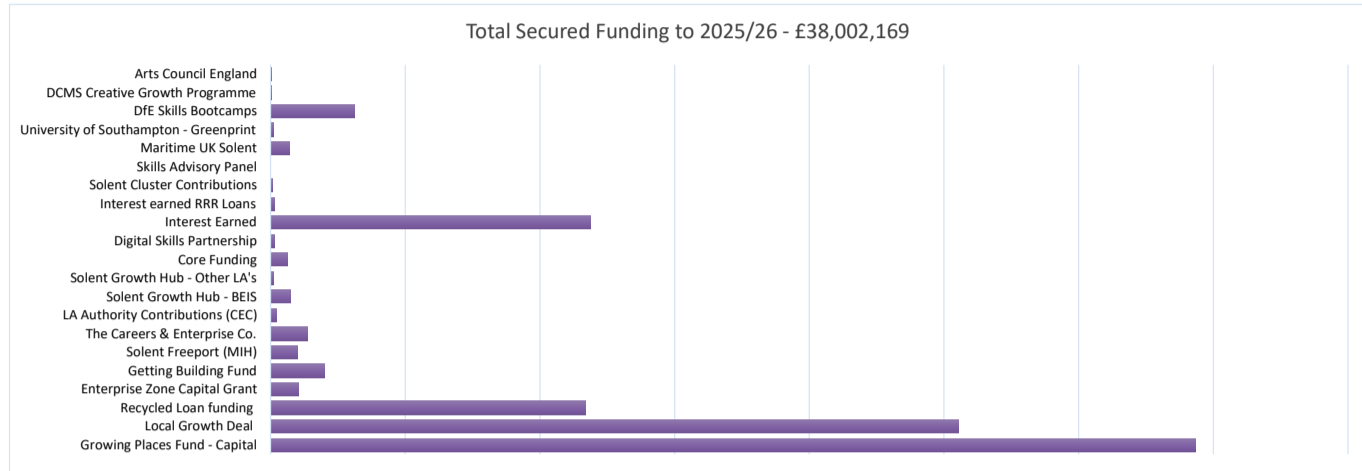
##### Delivery - Local Growth Deal and Getting Building Fund Update

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 01 April 2023	£0

Total Getting Building Funding Received	£0
% 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 01 April 2023	£7,526

Corporate Plan Future Year Forecasts to 2025/26

Corporate Plan - Budget Forecast				
Summary	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total
Connect	£3,508,597	£1,431,290	£568,300	£5,508,187
Advocate	£77,000	£115,000	£120,000	£312,000
Lead	£570,000	£551,978	£422,839	£1,544,817
Collaborate	£303,500	£226,500	£235,000	£765,000
Deliver	£1,075,198	£15,829,022	£12,967,945	£29,872,165
<b>Total</b>	<b>£5,534,295</b>	<b>£18,153,790</b>	<b>£14,314,084</b>	<b>£38,002,169</b>



**20.10.2023**

**Item 6 - Appendix A1**

**Current Year Budget**



	£	£	£	£	£	£	£
Business Development	0	0	0	0	0	0	0
Stakeholders Engagement / Marketing & Communications	165,000	64,206	165,000	0	0	0	0
Greenprint Conference UoS	50,000	49,610	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	20,250	85,000	(176,000)	0	0	0
<b>Collaborate Total</b>	<b>479,500</b>	<b>137,565</b>	<b>303,500</b>	<b>(176,000)</b>	<b>(176,000)</b>	<b>0</b>	<b>0</b>

Deliver	Full Year Budget 2023/24*	Actual Expenditure up to 30 September 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	(29,995)	0	(100,000)	(100,000)	0	0
SME Support Fund - Earmarked for Solent Freeport	250,000	0	0	(250,000)	(250,000)	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	1,245,507	(1,004,295)	(1,004,295)	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	(1,627,740)	(1,627,740)	(1,627,740)	0	0
IOW Island Line - Brading Loop	105,000	0	(178,200)	(283,200)	(283,200)	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	1,374	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	11,427	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	6,244	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	16,052	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	69,701	135,000	(25,000)	(25,000)	0	0
Other Operating Costs - Finance / HR / Dem Services	90,000	59,366	90,000	0	0	0	0
Other Operating Costs - Legal Support	60,000	40,395	60,000	0	0	0	0
<b>Deliver Total</b>	<b>4,414,519</b>	<b>169,221</b>	<b>1,075,198</b>	<b>(3,339,321)</b>	<b>(3,339,321)</b>	<b>0</b>	<b>0</b>

<b>Total Corporate Plan Budget</b>	<b>9,897,737</b>	<b>1,173,823</b>	<b>5,534,295</b>	<b>(4,363,442)</b>	<b>(4,307,301)</b>	<b>0</b>	<b>(56,141)</b>
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\* As agreed at LEP Board 21 July 2023

**20.10.2023**

**Item 6 - Appendix B**

**LEP Budget - All Years**



SOLENT PARTNERS CORPORATE PLAN - BUDGET FORECAST TO 2025/26						
<b>CONNECT</b>	<b>Budget 2023/24</b>	<b>Budget 2024/25</b>	<b>Budget 2025/26</b>	<b>Total Budget</b>	<b>Total Forecast Expenditure</b>	<b>Variance</b>
Solent Freeport Skills Programme Management	0	0	0	0	0	-
Digital Skills Partnership	63,026	0	0	63,026	63,026	-
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	553,363	235,270	0	788,633	788,633	-
Skills Advisory Panels	250	0	0	250	250	-
Maritime Innovation Hub - Operational Costs	35,400	94,500	98,300	228,200	228,200	-
Maritime Innovation Hub - Capital Fit Out Works	700,000	0	0	700,000	700,000	-
Maritime Innovation Hub - Capital SME Fund	0	497,501	0	497,501	497,501	-
Solent Cluster	130,000	98,000	120,000	348,000	348,000	-
Maritime UK Solent	382,100	156,019	0	538,119	538,119	-
Underwrite of Maritime UK Solent Funding	0	125,000	125,000	250,000	250,000	-
Creative and Cultural	59,500	0	0	59,500	59,500	-
<b>Connect Total</b>	<b>3,508,597</b>	<b>1,431,290</b>	<b>568,300</b>	<b>5,508,187</b>	<b>5,508,187</b>	<b>-</b>
<b>ADVOCATE</b>	<b>Budget 2023/24</b>	<b>Budget 2024/25</b>	<b>Budget 2025/26</b>	<b>Total Budget</b>	<b>Total Forecast Expenditure</b>	<b>Variance</b>
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	-
<b>Advocate Total</b>	<b>77,000</b>	<b>115,000</b>	<b>120,000</b>	<b>312,000</b>	<b>312,000</b>	<b>-</b>
<b>LEAD</b>	<b>Budget 2023/24</b>	<b>Budget 2024/25</b>	<b>Budget 2025/26</b>	<b>Total Budget</b>	<b>Total Forecast Expenditure</b>	<b>Variance</b>
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	257,839	722,839	722,839	-
Other Operating Costs - Office costs	45,000	50,000	15,000	110,000	110,000	-
Contingency	200,000	161,978	50,000	411,978	411,978	-
<b>Lead Total</b>	<b>570,000</b>	<b>551,978</b>	<b>422,839</b>	<b>1,544,817</b>	<b>1,544,817</b>	<b>0</b>
<b>COLLABORATE</b>	<b>Budget 2023/24</b>	<b>Budget 2024/25</b>	<b>Budget 2025/26</b>	<b>Total Budget</b>	<b>Total Forecast Expenditure</b>	<b>Variance</b>

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	85,000	115,000	130,000	330,000	330,000	-
<b>Collaborate Total</b>	<b>303,500</b>	<b>226,500</b>	<b>235,000</b>	<b>765,000</b>	<b>765,000</b>	<b>-</b>

DELIVER	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
SME Support	0	770,247	0	770,247	770,247	-
SME Support Fund - Earmarked for Solent Freeport	0	1,000,000	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	1,245,507	1,374,180	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*	(1,627,740)	2,510,900	0	883,160	883,160	-
IOW Island Line - Brading Loop*	(178,200)	0	0	(178,200)	(178,200)	-
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	4,167,609	0	4,167,609	4,167,609	-
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	135,000	150,000	165,000	450,000	450,000	-
Other Operating Costs - Finance / HR / Dem Services	90,000	90,000	45,000	225,000	225,000	-
Other Operating Costs - Legal Support	60,000	60,000	30,000	150,000	150,000	-
<b>Deliver Total</b>	<b>1,075,198</b>	<b>15,829,022</b>	<b>12,967,945</b>	<b>29,872,165</b>	<b>29,872,165</b>	<b>0</b>

CORPORATE PLAN BUDGET GRAND TOTAL	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
	<b>5,534,295</b>	<b>18,153,790</b>	<b>14,314,084</b>	<b>38,002,169</b>	<b>38,002,169</b>	<b>0</b>

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	120,779	1,120,132	-	1,240,911
DfT Funding for Retained Schemes	191,638	8,782,804	-	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	300,000	497,501	-	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	375,863	179,386	-	555,249
Enterprise Advice Network - Matched Funding (Interest Earned)	116,750	27,583	-	144,333
External Contributions towards CEC Staff	60,750	28,300	-	89,050
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)	63,026	-	-	63,026
Interest earned on funding yet to pay out	1,342,820	1,723,479	1,546,139	4,612,438
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)	1,400	156,019	-	157,419
MUK Solent Awards	90,000	-	-	90,000
Maritime UK	5,700	-	-	5,700
Universities - Innovation Incubator Events	20,000	-	-	20,000
Hampshire Chamber of Commerce LSIP	15,000	-	-	15,000
<b>Grant Total - Funding</b>	<b>5,534,295</b>	<b>18,153,790</b>	<b>14,314,084</b>	<b>38,002,169</b>
<b>Growing Places Fund - Forecast Reserve for Future Projects</b>	<b>Budget 2023/24</b>	<b>Budget 2024/25</b>	<b>Budget 2025/26</b>	
<b>Net Cumulative Growing Places Reserve Forecast - see appendix D for details</b>	13,709,944	-	-	
<b>TOTAL FUNDING TO SUPPORT LEP ACTIVITY</b>				<b>51,712,113</b>
<b>*2022/23 Accruals on Local Growth Deal and Getting Building Fund Schemes</b>	<b>Fund</b>	<b>Amount Accrued</b>	<b>Accrual Defrayed to Date</b>	

A326 Highway Improvements
IOW Island Line - Brading Loop
Port of Southampton Cruise Terminal
Fawley Waterside Digital
Branstone Farm Rural Employment Hub
<b>Total</b>

LGD	1,720,583	-
LGD	416,800	-
GBF	1,200,000	-
GBF	112,500	112,500
GBF	1,059,403	-
	<b>4,509,286</b>	<b>112,500</b>

**20.10.2023**

**Item 6 - Appendix C**

**Corporate and Strategic Risk Register**

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

**20.10.2023**

**Item 6 - Appendix D**

**Loan Fund Status**

**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 £
<b>Opening Balance</b>	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)
<u>Loans Out (Round 1 - tranches 1 to 4):</u>														
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
<u>Recycled Loan Funds available for reallocation</u>												1,000,000	12,562,916	13,562,916
<b>Total: Contingency Provisions and Growing Places Loan Programme Management Costs</b>	<b>6,675,000</b>	<b>5,398,633</b>	<b>1,544,452</b>	<b>108,138</b>	<b>103,177</b>	<b>167,539</b>	<b>676,771</b>	<b>997,680</b>	<b>224,757</b>	<b>108,119</b>	<b>25,000</b>	<b>1,070,000</b>	<b>12,639,945</b>	<b>29,739,211</b>
<u>Loans repaid (Capital Receipts)</u>														
<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	0	(13,000,000)
<b>Sub-total: Total Planned Fund Repayments</b>	<b>0</b>	<b>(1,150,000)</b>	<b>(4,525,000)</b>	<b>(1,200,000)</b>	<b>(2,125,000)</b>	<b>(800,000)</b>	<b>0</b>	<b>(3,200,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(13,000,000)</b>
<b>TOTAL CUMULATIVE BALANCE OF FUND AVAILABLE</b>		<b>(5,815,577)</b>	<b>(8,796,125)</b>	<b>(9,887,987)</b>	<b>(11,909,810)</b>	<b>(12,542,271)</b>	<b>(11,865,500)</b>	<b>(14,067,820)</b>	<b>(13,843,063)</b>	<b>(13,734,944)</b>	<b>(13,709,944)</b>	<b>(12,639,944)</b>	<b>1</b>	

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 £
<b>Opening Balance</b>								0	0	(4,916,792)	(5,774,821)	(6,013,729)	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)		296,800			(4,276,492)
<b>Projects Funded</b>														
Vectis Ventures								1,500,000						1,500,000
Greenclose Holdings								925,000	325,000					1,250,000
Solent Prosperity Loan Fund											0	4,167,609		4,167,609
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
<b>Sub-total: Loans Advanced</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,425,000</b>	<b>325,000</b>	<b>44,339</b>	<b>37,500</b>	<b>6,900,652</b>	<b>44,001</b>	<b>9,776,492</b>
<b>Loans repaid (Capital Receipts)</b>														
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
<b>Sub-total: Total Planned Fund Repayments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(343,500)</b>	<b>(902,368)</b>	<b>(573,208)</b>	<b>(680,924)</b>	<b>(250,000)</b>	<b>(2,750,000)</b>
<b>TOTAL CUMULATIVE BALANCE OF FUND AVAILABLE</b>								<b>0</b>	<b>(4,916,792)</b>	<b>(5,774,821)</b>	<b>(6,013,729)</b>	<b>205,999</b>	<b>0</b>	

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 £
<b>Opening Balance</b>								0	(2,000,000)	0	(464,543)	(1,447,043)	(44,000)	
Initial Allocation								(2,000,000)						(2,000,000)
<b>Projects Funded</b>														
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
<b>Sub-total: Loans Advanced</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,000,000</b>	<b>35,457</b>	<b>17,500</b>	<b>1,903,043</b>	<b>44,000</b>	<b>4,000,000</b>
<b>Loans repaid (Capital Receipts)</b>														
HIWWT - Nutrient Mitigation Programme										(500,000)	(1,000,000)	(500,000)		(2,000,000)
<b>Sub-total: Total Planned Fund Repayments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(500,000)</b>	<b>(1,000,000)</b>	<b>(500,000)</b>	<b>0</b>	<b>(2,000,000)</b>
<b>TOTAL CUMULATIVE BALANCE OF FUND AVAILABLE</b>								<b>(2,000,000)</b>	<b>0</b>	<b>(464,543)</b>	<b>(1,447,043)</b>	<b>(44,000)</b>	<b>0</b>	

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



**20.10.2023**

**Item 6 - Appendix E1**

**Local Growth Deal 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	-	770,247	1,132,000
SME Support Fund - Earmarked for Solent Freeport	-	-	-	-	-	-	-	-	-	1,000,000	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	1,245,507	1,374,180	14,000,000
A326 Highway Improvements	-	-	-	-	-	0	2,563,352	2,233,488	(1,627,740)	2,510,900	5,680,000
IOW Island Line - Brading Loop	-	-	-	-	-	595,000	0	-	(178,200)	-	416,800
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	-	-	-	-	-	-	-	-	20,000	4,247,609	4,267,609
<b>SUB-TOTALS:</b>	<b>38,833,432</b>	<b>37,807,314</b>	<b>8,312,999</b>	<b>7,804,531</b>	<b>12,962,743</b>	<b>38,201,084</b>	<b>19,306,027</b>	<b>3,813,780</b>	<b>312,415</b>	<b>9,902,936</b>	<b>177,257,261</b>
LGD funding committed / approved or indicatively earmarked across future years	-	-	-	-	-	-	-	-	-	-	0
<b>TOTAL EXPENDITURE ON APPROVED LOCAL GROWTH DEAL SCHEMES</b>	<b>38,833,432</b>	<b>37,807,314</b>	<b>8,312,999</b>	<b>7,804,531</b>	<b>12,962,743</b>	<b>38,201,084</b>	<b>19,306,027</b>	<b>3,813,780</b>	<b>312,415</b>	<b>9,902,936</b>	<b>177,257,261</b>
Accountable Body Capital Expenditure (Funded by LGD to maximise use of LGD)	1,000,000	-	-	-	-	-	-	-	-	-	1,000,000
<b>TOTAL UTILISATION OF LOCAL GROWTH DEAL</b>	<b>39,833,432</b>	<b>37,807,314</b>	<b>8,312,999</b>	<b>7,804,531</b>	<b>12,962,743</b>	<b>38,201,084</b>	<b>19,306,027</b>	<b>3,813,780</b>	<b>312,415</b>	<b>9,902,936</b>	<b>178,257,261</b>
<b>FUNDING AGREED / INDICATIVE ALLOCATIONS</b>											
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 Business 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	(540,433)	9,902,936	-
<b>TOTALS:</b>	<b>39,833,432</b>	<b>37,807,314</b>	<b>8,312,999</b>	<b>7,804,531</b>	<b>12,962,743</b>	<b>38,201,084</b>	<b>19,306,027</b>	<b>3,813,780</b>	<b>312,415</b>	<b>9,902,936</b>	<b>178,257,261</b>
Variance:	0	0	0	0	0	0	0	0	0	0	0

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

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

**20.10.2023**

**Item 6 - Appendix E2**

**Getting Building Fund**

<b>SOLENT LOCAL ENTERPRISE PARTNERSHIP - GETTING BUILDING FUND</b>						
<b>SCHEME NAME</b>	<b>Actual 2020/21 *</b>	<b>Actual 2021/22 **</b>	<b>Actual 2022/23 ***</b>	<b>Budget 2023/24</b>	<b>Budget 2024/25</b>	<b>Total Budget</b>
Port of Southampton Cruise Terminal	6,800,000	1,200,000	-	-	0	8,000,000
Enzyme Recycling Techniques - Building an Industrial Engagement Hub	308,283	541,717	150,000	-	0	1,000,000
Fawley Waterside Digital	-	275,000	475,000	-	0	750,000
Branstone Farm Rural Employment Hub	150,000	1,545,156	529,844	-	0	2,225,000
HIWWT - Nutrient Mitigation Programme	-	2,000,000	-	-	0	2,000,000
University of Southampton - Centre for Electronics Frontiers	-	-	-	-	0	0
Maritime Innovation Hub	-	-	52,498	700,000	497,502	1,250,000
Portsmouth International Port - Provision of Border Control Post	-	550,000	-	-	0	550,000
Programme Management	109,761	470,239	-	-	0	580,000
<b>TOTAL UTILISATION OF GETTING BUILDING FUND</b>	<b>7,368,044</b>	<b>6,582,112</b>	<b>1,207,342</b>	<b>700,000</b>	<b>497,502</b>	<b>16,355,000</b>
<b>FUNDING AGREED / INDICATIVE ALLOCATIONS</b>						
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	300,000	497,502	-
<b>TOTALS:</b>	<b>7,368,044</b>	<b>6,582,112</b>	<b>1,207,342</b>	<b>700,000</b>	<b>497,502</b>	<b>16,355,000</b>
Variance:	0	0	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

**20.10.2023**

**Item 6 - Appendix F**

**Risk Register**

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

**20.10.2023**

**Item 6 - Appendix G**

**RRR Loans**

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

**20.10.2023**

**Item 6 - Appendix H**

**ABP**

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

**20.10.2023**

**Item 6 - Appendix I**

**Solent Maritime and Decarbonisation Hub**

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



**20.10.2023**

**Item 6 - Appendix J**

**Corporate Plan Mid-Year Review**

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

**20.10.2023**

**Item 7**

**General Update**

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

**20.10.2023**

**Item 8**

**Any other business - Board forward plan**



**Item:** 8  
**Title:** Any other business – LEP Board forward plan  
**Date:** 20 October 2023  
**Purpose:** For information and decision

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**1. Draft Resolution:**

The Board is asked to:

- **Consider and agree** the forward plan as set out below

**2. Summary**

**8 December 2023 (9.00 am to 12.00 pm)**

- Update on Solent Partners establishment and transition
- Solent Partners 2024/25 delivery plan
- Update on transfer of LEP core functions
- SERCOM Report on transition arrangements
- Consideration of closure process for Solent Local Enterprise Partnership Limited
- Opportunity for tour of Maritime Innovation Hub

**TBC March 2023**

- Update on Solent Partners establishment and transition
- Annual Report
- Strategy Update on Solent Cultural Plan

**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.