



Solent Local Enterprise Partnership
Meeting of the Board to be held on Friday 8 December 2023
09:30 to 11:30

Item	Title	Time
1.	Welcome and apologies for absence	09:30 – 09:35
2.	a. Notes of the meeting held on 20 October 2023 b. Matters Arising and declarations of interest	09:35 - 09:45
3.	HM Government update	09:45 - 10:00
	LEP Matters requiring board decision	
4.	Establishment of Solent Partners to include: a. Membership transition b. Corporate committee transition c. SERCOM update d. Launch arrangements - including Solent Partners launch event e. Updated Solent Socio-Economic Study	10:00 - 10:40
5.	Funding, finance and performance management report to include; a. Funding decisions b. Local Growth Programmes c. 2023/24 budget d. Review of Risk registers	10:40 – 11:10
	LEP Matters for note	
6.	General updates to include: a. Maritime UK Solent b. The Solent Cluster c. Business support - Task Force and Solent Growth Hub d. Skills Support - Skills Advisory Panel, Digital Skill Partnership, CEC activity and Skills bootcamp	11:10 – 11:20
7.	Any other business and date of next meeting • Forward Plan	11:20 – 11:30

Meeting to close at 11:30 ahead of the LEP Board strategy session.

08.12.2023

Item 2

Notes of meetings held on 20 October 2023

	<p>B. Matters Arising and Declarations of Interest</p> <p><u>Matters Arising</u></p> <p>The following matters arising were raised:</p> <p>Page 2 - a letter was provided to Government in support of a Solent Devolution Deal.</p> <p>Page 4 - Enterprise Zone - Richard Jones has met with the Chief Executive at Fareham Borough Council and comments are awaited on the MOU.</p> <p>Page 4 - Statutory Accounts have been submitted.</p> <p>Page 4 - Project updates will be covered under Item 6.</p> <p>Page 5 - transition to Solent Partners will be covered under Item 4 and 5.</p> <p>Page 5 - work on the Local Authority alternate Board attendees has been concluded with the 5 Authorities on the Board providing an alternate attendee.</p> <p>Page 5 - Maritime UKS - an update will be provided today under item 4.</p> <p>All other matters will be covered as part of the meeting.</p> <p><u>Declarations of Interest</u></p> <p>The following interests were noted ahead of the meeting:</p> <p><u>Edward Heron, Julie Jones-Evans, Satvir Kaur and Steve Pitt</u> in relation to the update on local authority engagement under item 5</p> <p><u>Brooke Hoskins</u> in relation to appointment as a member of the Skills Advisory Panel.</p> <p><u>Graham Barnetson</u> as a Maritime UK Solent Ltd Director</p> <p><u>Jo Sawford, Rachael Randall, Nick Loader and Paula Swain</u> in relation to Solent Partners Director appointments</p> <p><u>Julie Jones-Evans</u> in relation to Isle of Wight Council led project, Branstone Farm.</p> <p><u>Nick Loader</u> - Employer has a commercial relationship with ABP, unrelated to any LEP project.</p> <p><u>Stuart Baker</u> as a Maritime UK Solent Ltd Director</p> <p><u>General Noting</u></p> <p>Item 5 Appendix F (Risk Register) - Board Members are asked to delegate the agreement of the LGD risk register to the LEP Chief Executive and S151 officer. On this basis, all interests in relation to risk register are potential and for noting only. Board Members only required to withdraw from meeting if Board wish to discuss a specific project.</p>	
<p>3.</p>	<p>HM Government Update</p> <p>Richard Turl provided the HM Government update as follows -</p> <ul style="list-style-type: none">• Government issued guidance on LEP transition in early August.• This week, a transition template was issued to upper tiered authorities to be returned by 30 November 2023.• Government is committed to letting the upper tier authorities undertake LEP functions.• Government will issue guidance to upper tiered authorities on best practice for business boards.	

	<ul style="list-style-type: none"> • Ryde has been successful in its bid to the Town Partnerships. • Jacob Young MP was appointed Parliamentary Under Secretary of State in the Department for Levelling Up, Housing and Communities on 18 September. • Thanks were passed to the IoW for hosting a recent official visits. • Levelling Up Round 3 - Michael Gove, the Secretary of State for Levelling Up made reference to this in the House of Commons this week, an announcement on the launch of round 3 is expected next month. 	
<p>5.</p>	<p>LEP Core Function Transition, to include update on Local Authority engagement and establishment of future engagement forum</p> <p>An interest was noted from Edward Heron, Julie Jones Evans, Satvir Kaur and Steve Pitt for this item.</p> <p>Richard Jones introduced the paper and provided an update on 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.</p> <p>Hampshire County Council have not provided a formal response to the LEP offer to draw on the Board of Solent Partners, however, it is understood that the County Council will establish a Hampshire Business Board in response to these functions.</p> <p>An update was provided 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. Mike Harris provided an update on the various models that have been looked at.</p> <p>A discussion was had on the core function of the business board for Southampton, Portsmouth and Isle of Wight.</p> <p>Meetings will be arranged to look at this in more detail along with a Business Directors meeting.</p> <p>James Fitzgerald and Chris Ward have met with Hampshire County Council to understand their position in relation to funding and further meetings are being scheduled.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Noted the update in relation to local authority engagement to date, and; • Noted the emerging position in relation to the Solent Partners interface with a Solent Economic Growth Panel (name tbc), and; • Agreed 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. 	<p>Executive</p> <p>Executive</p>

	<p>Mike Harris left the meeting (09:56)</p>	
<p>4.</p>	<p>Establishment of Solent Partners to include: <u>Report from Governance Working Group and adoption of Solent Partners Articles</u> The draft Articles of Association have been drafted and the following clauses were highlighted:</p> <ul style="list-style-type: none"> - Objects clause to set out the purpose of the company - Clause 9 in relation to membership and transfer of membership to a potential combined authority in the future - Clause 18-22 - Board membership <p>It was also highlighted that the Board should include involvement of Business Representative Organisations (BROs). Richard Jones has met with them recently and they were supportive of the Business Forum approach and in favour of a model of an independent chair who sits on the Solent Partners board.</p> <p>Edward Heron and David Youngs abstained from taking part in the decision.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Agreed the Solent Partners Articles of Association for adoption. • Agreed that a briefing session will be arranged for Business Board Directors in relation to the establishment of Solent Partners and the transfer of core LEP functions. <p>Edward Heron left the meeting (10:19)</p> <p><u>Subsidiary transition</u> Richard Jones gave an update as per the paper on the membership to Maritime UK and changes to the Articles of Association to give MUK Solent great autonomy.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Noted the update in relation to Maritime UK Solent, including the mid-year report, and; • Agreed the adoption of the updated Articles for Maritime UK Solent Limited, subject to the agreement of the Maritime UK Solent Board and completion of the change in national membership of Maritime UK. • Agreed the Articles of Association for The Solent Cluster Limited for adoption, and; • Agreed to cease the Solent LEPs membership of The Solent Cluster Limited, subject to the appointment of Solent Partners as a member The Solent Cluster Limited. <p><u>Corporate committee transition</u> Richard Jones gave an update as per the paper.</p> <p>An interested was noted for Brooke Hoskins as a member of the Skills Advisory Panel.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Noted the update in relation to corporate committees and advisory fora, and; • Agreed in principle the direction of travel for transition of Solent LEP corporate committees. • Agreed the revised terms of reference for the Skills Advisory Panel and Business Forum. <p>Brooke Hoskins left the meeting.</p> <p>The Board:</p>	<p>Executive Executive</p> <p>MUK Solent Board</p> <p>Executive Executive</p> <p>Executive Executive</p>

	<ul style="list-style-type: none"> • Agreed the appointment of Brooke Hoskins as a Skills Advisory Panel member. <p>Brooke Hoskins joined the meeting.</p> <p><u>Solent Partners Board and committee appointments / recruitment</u> Interest on this item was noted for Rachael Randall, Nick Loader, Jo Sawford and Paula Swain.</p> <p>Rachael Randall left the meeting and Nick Loader took the Chair.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Agreed the appointment of Rachael Randall as Chair of Solent Partners <p>Rachael Randall joined the meeting and retook the Chair.</p> <p>Nick Loader, Jo Sawford and Paula Swain left the meeting.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Agreed the appointment of Nick Loader, Jo Sawford and Paula Swain as Directors of Solent Partners. <p>Nick Loader, Jo Sawford and Paula Swain joined the meeting.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Agreed the interim appointment of the interim Chair of the Solent Cluster to the Board of Solent Partners. • Delegate authority to the Maritime UK Solent Board to finalise the draft recruitment pack and agree the role description for the Chair of Maritime UK Solent and; • Delegate authority to the Maritime UK Solent Board to administer the recruitment process subject to finalising the transfer of ownership to Solent Partners and transfer of national membership of Maritime UK Solent. • Agreed the recruitment pack and role description for the Chair of the Skills Advisory Panel and delegated authority to SERCOM and the Skills Advisory Panel to finalise and administer the recruitment process. <p><u>Launch arrangements - including Solent Partners website</u> An update was provided as per the paper. A link to the draft Solent Partners website will be shared with the Board.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Noted the update in relation to the launch of Solent Partners. <p><u>Next steps</u> The closure of the Solent LEP and structure of the organisation will be reviewed at SERCOM at their meeting in November.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Agreed to reconvene the Governance Working Group for a further meeting ahead of the December Board meeting. 	<p>Executive</p> <p>MUK Solent Board</p> <p>SERCOM & SAP</p> <p>Executive</p> <p>SERCOM</p> <p>Executive</p>
<p>6.</p>	<p>Finance, Funding and Performance Management report</p> <p>The Finance paper was taken as read and James Fitzgerald provided an overview of the paper. An update was provided on the current budget position and ongoing discussion with Hampshire County Council.</p>	

<p>Stuart Baker and Graham Barnetson left the meeting.</p> <p>The Board:</p> <ul style="list-style-type: none">• Agreed in principle to approve that the Solent Maritime Innovation and Decarbonisation Hub and associated budgets will be transferred over to Maritime UK Solent pending a further review and approval by FFPMG and then MUK Solent Board approval.• Considered and Agreed that core establishment funding and a budget to underwrite other activities is provided for MUK Solent to secure the future of the organisation, pending a further review and approval by FFPMG. <p>Stuart Baker and Graham Barnetson joined the meeting.</p> <p>Lloyd Clark gave an update on Appendix G advising on the next steps that are being proposed.</p> <p>The Board:</p> <ul style="list-style-type: none">• Noted the update on the RRR Loan Fund at Appendix G and Agreed the recommendations contained within it. <p>Satvir Kaur left the meeting (11:30)</p> <p>Julie Jones-Evans left the meeting.</p> <p>The Board:</p> <ul style="list-style-type: none">• Noted the update on the Branstone Farm project in paragraph 5.2 and Agreed the recommendations. <p>Julie Jones-Evans joined the meeting.</p> <p>The Board:</p> <ul style="list-style-type: none">• Considered Appendix H and Agreed the recommendations contained within it. <p>Appendix F was highlighted and the Board:</p> <ul style="list-style-type: none">• Considered the high-level Risk Matrix for the Local Growth Programme at appendix F and delegated its Approval to the LEP Chief Executive and the Accountable Body's section 151 officer. <p>The Board:</p> <ul style="list-style-type: none">• Noted the mid-year Corporate Plan performance review at appendix J. <p>The Chief Executive's thanks were passed to the Team for their work on delivering the Corporate Plan for the first half of the year.</p> <p>The Board:</p> <ul style="list-style-type: none">• Approved the revised budget for 2023/24 of £5,534,295 as set out in Appendix A1 and Noted the revised indicative budgets for the period 2024/25 to 2025/26 as set out in appendix B which includes the following:<ul style="list-style-type: none">• The current position of the LEP Loan Funds available as summarised in appendix	<p>FFPMG & MUKS Board</p> <p>Executive & AB</p> <p>Executive & AB</p> <p>Chief Executive & AB</p>
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	<p>D.</p> <ul style="list-style-type: none">• 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>The Board also:</p> <ul style="list-style-type: none">• Noted and Agreed the Corporate and Strategic Risk Register at appendix C.• Noted the update on the new funding in paragraph 4.1.• Noted the update on the Solent Partners Loan and Grant Fund calls.• Noted the Future Funding Bids update in paragraph 7.• Noted the Solent Maritime and Decarbonisation Hub update in paragraph 9.	
<p>7.</p>	<p>General updates from Board Leads – for note</p> <p>Stuart Baker provided a verbal update including an update on the Skills Bootcamp launch and the Creatives and Cultural Plan.</p> <p>It was highlighted that there is an appetite in the area to support aspirations in the region, further discussion will be held on this topic to take forward further.</p> <p>An update was provided on the Fillm sector and thanks were passed to James Ford for his work to date in this area.</p> <p>An update was provided on Solent Cluster.</p> <p>An update was provided on the Maritime UK Solent Awards night and thanks were passed to the team on all their work on making the night so successful.</p> <p>The update was taken as read and noted by the Board.</p>	
<p>8.</p>	<p>Any other business</p> <p>The Board:</p> <ul style="list-style-type: none">• Considered and Agreed the Forward Plan. <p>The next meeting is scheduled for 8 December 2023.</p> <p>No further business, so the meeting was closed.</p>	

Meeting closed at 11:55

08.12.2023

Item 3

HM Government Update

A verbal report will be considered at the meeting

08.12.2023

Item 4

Establishment of Solent Partners

A confidential report will be considered at the meeting

08.12.2023

Item 5

Finance and Funding Report

Item Number: 5
Item Title: Solent LEP Finance and Funding Report
Meeting Date: 08 December 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 Solent LEP Board with the financial position of the existing Corporate Plan to 31st October 2023 and the associated forecast budgets for the period 2024/25 to 2025/26. It is important to note that these budgets are based on the status quo position of the organisation as the discussions and associated impact of LEP integration are ongoing.
- 1.2 The opening budgets are as agreed in principle at the LEP Board meeting on 20 October 2023 pending a further review and approval by FFPMG in November 23. 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. Recommendations

2.1 It is recommended that the LEP Board:

- (i) **Note** the update on the LEP integration detailed in paragraph 3 and the update provided at the meeting.
- (ii) **Approve** the revised budget for 2023/24 of £5,192,792 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 estimated LEP funding available for disaggregation as shared with the County Council and Unitary Authorities in the Solent.

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 key budget movements and associated issues in paragraph 4.

- **Consider** and **Approve** the recommended actions relating to IOW Council Branstone Farm Rural Employment Hub at Appendix G.
- **Consider** and **Agree** the recommended actions relating to the ABP scheme attached at Appendix H.
- **Note** the Future Funding Bids update in paragraph 7 below.
- **Note** the Future Budget update in paragraph 8 below.
- **Reaffirm** the decision to provide the allocated funding to Maritime UK Solent, Solent Cluster, and the Maritime Innovation Hub.

3. **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 four upper tier local authorities in the Solent area as well as the Solent LEP government lead regarding the assets that Portsmouth City Council hold on behalf of the LEP.

Board Members will be aware from the previous board meeting, that Hampshire County Council have stated that they do not wish to be part of Solent Partners and have written to the LEP with a request for information with a view to understanding the functions, assets, liabilities, staff and responsibilities that will transfer to the constituent upper tier Local Authorities in our region.

The Accountable Body have reviewed this position and the S151 Officer and Monitoring officer have flagged that there is a likely risk of the disaggregation of the assets.

Initial discussions have taken place with the S151 Officers of Hampshire County Council and Portsmouth City Council to indicate the amount of the funding that could be available for disaggregation. Discussions have also taken place between the LEP Executive and counterparts at Portsmouth City Council, Southampton City Council, and Isle of Wight Council to discuss the implications of disaggregation on Solent Partners and its subsidiaries.

At the time of writing, the talks with upper tier local authorities are ongoing with no disaggregation amounts being agreed and all parties are yet to discuss the basis on the apportionment method that could be used as part of any disaggregation.

There are some specific funding decisions that are now imperative and these are discussed in more detail in paragraph 8 of this report

A further update will be presented at the meeting.

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 20 October 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 and the transition to Solent Partners.

4.2 **Reprofiling**

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. Following the procurement for suppliers to contract in October 23, the courses are now underway. However, given that the DfE funding award was not granted until July and the requirement for a lengthy procurement process, it is unlikely that the full £1.2m grant funding will be defrayed by 31st March 24 deadline. DfE have confirmed that there is flexibility on the deadline to defray the funding until September 24 and therefore the budget has been reprofiled

accordingly with the expectation that contractors will meet their milestone 1 targets of 40% defrayal by the end of March.

Solent LEP Disaggregation of Funds

As stated in paragraph 3, although the amount of LEP assets that are potentially available for disaggregation are yet to be agreed with the LEP and four upper tier authorities, an initial proposal of funds that are deemed unallocated has been shared with the upper tier authorities and in line with this, these funds have been ringfenced and shown separately in the budget. The details of this can be found in the Future Years budgets in Appendix B.

It is expected that any disaggregation of funding would occur at the beginning of the 2024/25 financial year and as a result, until disaggregation amounts are agreed, no future year operational costs have been included in the budgets from 2024/25 onwards. This represents a significant risk to the future of Solent Partners, should the County Council and Unitary Authorities in the Solent wish to fully disaggregate all of the funding.

5. Current Financial Year

The revised budget of £5,192,792 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 the Solent LEP subsidiary companies.

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 2023/24 for LGD specific schemes. A further £300k is expected to be defrayed in terms of GBF grant funding in 2023/24 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 FPPMG 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 FPPMG. These are summarised below and, where the updates and actions are of a confidential nature, Board members are redirected to the relevant confidential appendix

Isle of Wight Council - Branstone Farm Rural Employment Hub

A confidential report on this programme is provided under Appendix G. Board members are asked to:

- **Consider** and **Agree** the recommended actions relating to IOW Council Branstone Farm Rural Employment Hub at Appendix G.

ABP - 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 scheme attached at Appendix H.

6. **Funding Call Update**

As part of the disaggregation discussions with Portsmouth CC, Southampton CC and Isle of Wight Council, a proposal has been drafted for Solent Partners to provide a Unitary Authority Loan fund using non-disaggregated funding that those authorities could otherwise receive. The Executive will present the loan fund proposals at the Board meeting as part of the strategy session.

7. **Funding Bids**

Creative Growth Programme (CGP)

The LEP submitted a grant funding bid to Government of £520k for a Creative Growth Programme that would target business support at the creative industries. Unfortunately, the bid has been unsuccessful. The awards have broadly gone to combined authority areas and the Executive plan to write to the Department for Digital, Culture, Media & Sport (DCMS) requesting feedback that can be used for future funding calls.

8. **Future Budget Decisions**

Board members will note that there were recommendations at the last LEP Board meeting for the allocation of funding to support existing budget pressures for the Maritime Innovation and Decarbonisation Hub, Solent Cluster and MUK Solent. The LEP Board agreed to the allocation of funding to support these ongoing activities with an agreement to begin spending subject to the resolution of the LEP integration discussions and a review by FFPMG. Due to the ongoing discussions between the LEP, Accountable Body, and Solent Upper Tier Authorities, FFPMG members were not in a position at their November meeting to review and recommend that defrayal of the budgeted funding could commence.

In line with the published guidance, the Accountable Body are working in co-operation with the upper tier authorities in order to understand all views before coming to a decision. As there is urgency linked to the decision to defray this specific funding, this a deadline will be provided to the upper tier authorities to respond.

On this basis it is entirely appropriate for the LEP to confirm its funding decision and the Accountable Body will confirm its position once it has consulted with the other Upper Tier Local Authorities, giving them reasonable time to respond.

A verbal update will be provided at the meeting as to the progress made.

9. **Financial Summary**

The content of this paper is, in the main, based upon the status quo position of the organisation and sets out the key issues and 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 core functions and contractual commitments in its current form up to 31 March 2024.

As ongoing conversations develop and further clarity is received, the Accountable Body will continue to 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 (subject to change as part of the disaggregation discussions) 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.

10. 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.

11. Legal implications

Budget

With reference to the recommendation to:

Approve the revised budget for 2023/24 of £5,192,792 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.

LEP Integration

Full legal advice must be sought (and recorded) on all of the integration aspects from both the Executive's own lawyers as well as in-house Accountable Body legal team.

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.

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

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

08.12.2023

Item 5 - 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:

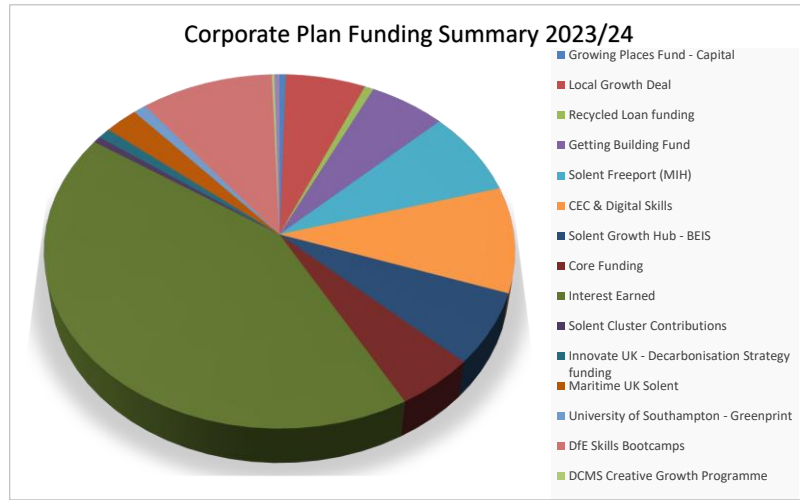
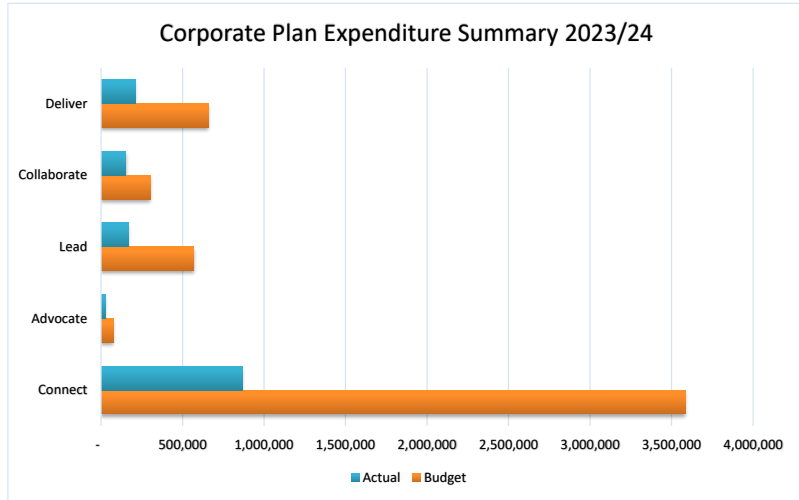
- information relating to an individual, and/or;
- relating to the financial or business affairs of a particular person.



Financial Dashboard

Solent Partners and Solent LEP Corporate Plan 2023/24 Budget Forecast

Full Year Budget 2023/24 (As agreed at LEP Board 20 October 23)	Full Year Forecast and Proposed Revised Budget	Expenditure as at 31st October 2023 <i>(Figure does not include 22/23 accruals)</i>	Forecast Remaining Expenditure to 31st March 2024	Forecast Over / (Underspend) for the Year
£5,534,295	£5,192,792	£1,422,091 27%	£3,770,701 73%	£0



Board Headlines:

New Funding & Reprofile of budget

		Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Total
Budget Agreed at Board on 20 October 2023		£5,534,295	£18,153,790	£14,314,084	£38,002,169
Solent Cluster Decarbonisation Strategy funding	New - Cluster	£50,280	£152,220	£0	£202,500
DfE Skills Bootcamps	Reprofiled - Partners	-£722,000	£722,000	£0	£0
Underwrite of MUK Solent Funding	Reprofiled - Partners	£530,000	-£265,000	-£265,000	£0
Solent Cluster - Capacity Future Years	Reprofiled - Partners	£218,000	-£98,000	-£120,000	£0
Building Foundations for Growth Capital Grant for EZ	Reprofiled - LEP	-£417,783	£417,783	£0	£0
LEP Disaggregation - Operational Costs	Reprofiled - LEP	£0	£1,102,839	-£1,102,839	£0
LEP Disaggregation - Growing Places Loan	Reprofiled - LEP	£0	£12,639,945	-£12,639,945	£0
Full Year Forecast and Proposed Revised Budget		£5,192,792	£32,825,577	£186,300	£38,204,669

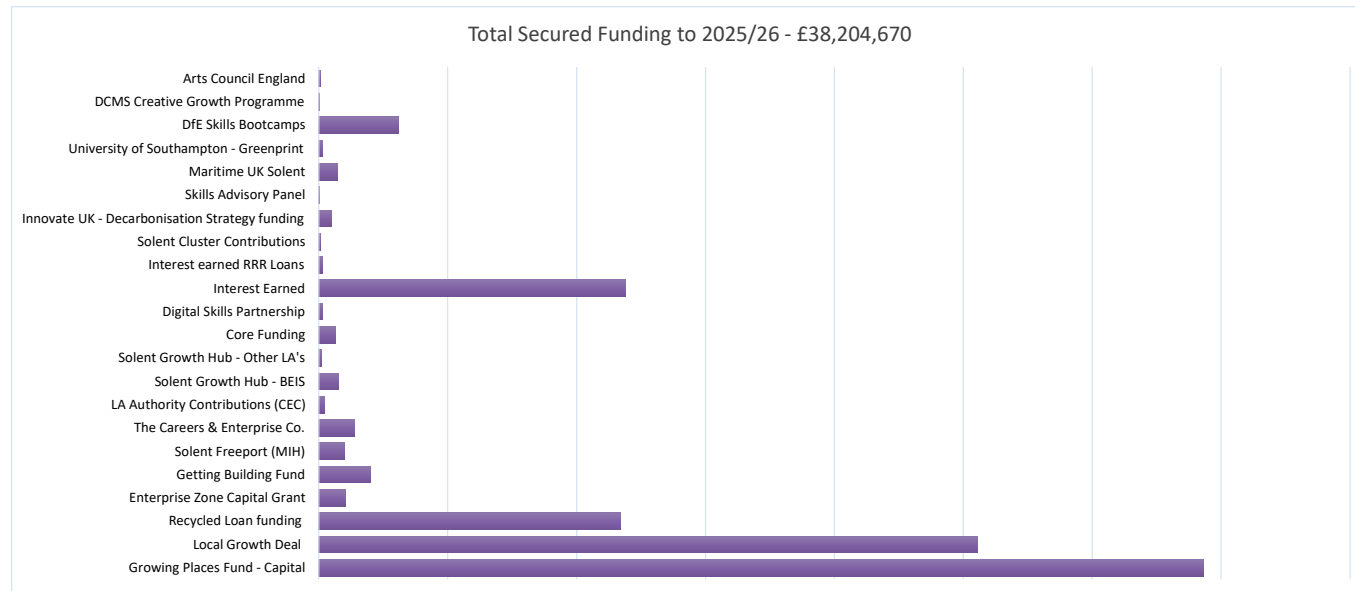
Delivery - Local Growth Deal and Getting Building Fund Update

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	£13,625

Solent Partners and Solent LEP Corporate Plan Future Year Forecasts to 2025/26

Corporate Plan - Budget Forecast				
Summary	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total
Connect	£3,584,877	£1,857,510	£98,300	£5,540,687
Advocate	£77,000	£0	£0	£77,000
Lead	£570,000	£170,200	£0	£740,200
Collaborate	£303,500	£0	£0	£303,500
Deliver	£657,415	£5,091,166	£88,000	£5,836,581
Current Funding Proposed for Disaggregation	£0	£25,706,702	£0	£25,706,702
Total	£5,192,792	£32,825,578	£186,300	£38,204,670



08.12.2023

Item 5 - Appendix A1

Current Year Budget

SOLENT LEP CORPORATE PLAN - BUDGET FORECAST 2023/24

Connect	Full Year Budget 2023/24*	Actual Expenditure up to 31 October 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 24 Over / (Underspend)	Acceleration or Programme Slippage to be transferred to Solent Partners 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	63,026	40,499	63,026	0	0	0	0
DfE Skills Bootcamps	1,242,000	48,889	520,000	(722,000)	(722,000)	0	0
Solent Growth Hub	342,958	160,282	342,958	0	0	0	0
Enterprise Adviser Network	553,363	280,681	553,363	0	0	0	0
Skills Advisory Panels	250	65	250	0	0	0	0
Maritime Innovation Hub - Operational Costs	35,400	0	35,400	0	0	0	0
Maritime Innovation Hub - Capital	700,000	13,625	700,000	0	0	0	0
Solent Cluster	130,000	67,125	180,280	50,280	50,280	0	0
Solent Cluster - Capacity Future Years [to be formally agreed]	0	0	218,000	218,000	218,000	0	0
Maritime UK Solent	382,100	231,158	382,100	0	0	0	0
Underwrite of Maritime UK Solent Funding [to be formally agreed]	0	0	530,000	530,000	530,000	0	0
Creative and Cultural	59,500	22,919	59,500	0	0	0	0
Connect Total	3,508,597	865,242	3,584,877	76,280	76,280	0	0

Advocate	Full Year Budget 2023/24*	Actual Expenditure up to 31 October 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 24 Over / (Underspend)	Acceleration or Programme Slippage to be transferred to Solent Partners 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	52,000	24,780	52,000	0	0	0	0
Advocate Total	77,000	24,780	77,000	0	0	0	0

Lead	Full Year Budget 2023/24*	Actual Expenditure up to 31 October 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 24 Over / (Underspend)	Acceleration or Programme Slippage to be transferred to Solent Partners 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	31,430	100,000	0	0	0	0
Solent Summit	0	0	0	0	0	0	0
Other Operating Costs - Staffing Costs	225,000	122,159	225,000	0	0	0	0
Other Operating Costs - Office costs	45,000	16,532	45,000	0	0	0	0
Contingency	200,000	0	200,000	0	0	0	0
Lead Total	570,000	170,121	570,000	0	0	0	0

Collaborate	Full Year Budget 2023/24*	Actual Expenditure up to 31 October 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 24 Over / (Underspend)	Acceleration or Programme Slippage to be transferred to Solent Partners 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	69,617	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	85,000	30,079	85,000	0	0	0	0
Collaborate Total	303,500	152,806	303,500	0	0	0	0
Deliver	Full Year Budget 2023/24*	Actual Expenditure up to 31 October 2023	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 24 Over / (Underspend)	Acceleration or Programme Slippage to be transferred to Solent Partners 2024/25	Overspend to be funded / (Underspend to be Re-allocated)	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
SME Support	0	(29,995)	0	0	0	0	0
SME Support Fund - Earmarked for Solent Freeport	0	0	0	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	1,245,507	0	1,245,507	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	(1,627,740)	0	(1,627,740)	0	0	0	0
IOW Island Line - Brading Loop	(178,200)	0	(178,200)	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	1,597	2,874	0	0	0	0
<u>Getting Building Fund:</u>							
Port of Southampton Cruise Terminal	0	2,500	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	25,000	12,859	25,000	0	0	0	0
Solent Prosperity Loan Fund (Split out for Projects)	0	0	0	0	0	0	0
Solent Prosperity Loan Fund Programme Management	20,000	9,891	20,000	0	0	0	0
LGD / GBF Recycled Loans (Split out for Projects)	0	0	0	0	0	0	0
LGD / GBF Recycled Loans Programme Management	35,000	18,985	35,000	0	0	0	0
Building Foundations for Growth Capital Grant for EZ	417,783	0	0	(417,783)	(417,783)	0	0
Other Operating Costs - Programme Management	135,000	77,864	135,000	0	0	0	0
Other Operating Costs - Finance / HR / Dem Services	90,000	66,767	90,000	0	0	0	0
Other Operating Costs - Legal Support	60,000	54,016	60,000	0	0	0	0
Deliver Total	1,075,198	209,141	657,415	(417,783)	(417,783)	0	0
Total Corporate Plan Budget	5,534,295	1,422,091	5,192,792	(341,503)	(341,503)	0	0

* As agreed at LEP Board 20 October 2023

08.12.2023

Item 5 - Appendix B

LEP Budget - All Years

SOLENT PARTNERS GROUP ACCOUNTS 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	63,026	0	0	63,026	63,026	-
DfE Skills Bootcamps	520,000	722,000	0	1,242,000	1,242,000	-
Solent Growth Hub	342,958	0	0	342,958	342,958	-
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 [to be formally agreed]	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	180,280	152,220	0	332,500	332,500	-
Solent Cluster - Capacity Future Years [to be formally agreed]	218,000	0	0	218,000	218,000	-
Maritime UK Solent	382,100	156,019	0	538,119	538,119	-
Underwrite of Maritime UK Solent Funding [to be formally agreed]	530,000	0	0	530,000	530,000	-
Creative and Cultural	59,500	0	0	59,500	59,500	-
Connect Total	3,584,877	1,857,510	98,300	5,540,687	5,540,687	-
ADVOCATE	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
Strategic Commissions	25,000	0	0	25,000	25,000	-
Strategic Partnerships MoU's	0	0	0	0	0	-
Other Operating Costs - Staffing Costs	52,000	0	0	52,000	52,000	-
Advocate Total	77,000			77,000	77,000	
LEAD	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
Solent 2050	100,000	0	0	100,000	100,000	-
Solent Summit	0	0	0	0	0	-
Other Operating Costs - Staffing Costs	225,000	0	0	225,000	225,000	-
Other Operating Costs - Office costs	45,000	0	0	45,000	45,000	-
Contingency	200,000	170,200	0	370,200	370,200	-
Lead Total	570,000	170,200	0	740,200	740,200	0

COLLABORATE	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
Business Development	0	0	0	0	0	-
Stakeholders Engagement / Marketing & Communications	165,000	0	0	165,000	165,000	-
Greenprint Conference UoS	50,000	0	0	50,000	50,000	-
LEP Network	3,500	0	0	3,500	3,500	-
Devolution Works	0	0	0	0	0	-
Other Operating Costs - Staffing Costs	85,000	0	0	85,000	85,000	-
Collaborate Total	303,500	0	0	303,500	303,500	-

DELIVER	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
SME Support	0	0	0	0	0	-
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 Programme Management Costs	25,000	0	0	25,000	25,000	-
Solent Prosperity Loan Fund Programme Management	20,000	0	0	20,000	20,000	-
LGD / GBF Recycled Loans Programme Management	35,000	56,086	88,000	179,086	179,086	-
Other Operating Costs - Programme Management	135,000	0	0	135,000	135,000	-
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	657,415	5,091,166	88,000	5,836,581	5,836,581	0

CURRENT FUNDING PROPOSED FOR DISAGGREGATION	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
Growing Places Loan Fund : Capital Allocation	0	13,709,945	0	13,709,945	13,709,945	-
Solent Prosperity Loan Fund	0	4,247,609	0	4,247,609	4,247,609	-
SME Support	0	770,247	0	770,247	770,247	-
LGD / GBF Recycled Loans	0	4,500,000	0	4,500,000	4,500,000	-
Interest earned on balances held / Due from existing loans	0	2,061,118	0	2,061,118	2,061,118	-

Building Foundations for Growth Capital Grant for EZ	0	417,783	0	417,783	417,783	-
Current Funding Proposed for Disaggregation Total	0	25,706,702	0	25,706,702	25,706,702	0

CORPORATE PLAN BUDGET GRAND TOTAL	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
	5,192,792	32,825,578	186,300	38,204,670	38,204,670	0

FUNDING SUMMARY	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total Budget
<u>Solent Partners:</u>				
Growing Places Fund - Capital	25,000	-	-	25,000
Solent Growth Deal	120,779	1,120,132	-	1,240,911
DfT Funding for Retained Schemes	191,638	3,764,948	-	3,956,586
LGD Loan recycled funding	17,501	28,043	44,000	89,544
Getting Building Fund	300,000	497,501	-	797,501
Getting Building Fund - Recycled Loan Funding	17,500	28,043	44,000	89,543
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	2,090,820	414,701	98,300	2,603,821
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	520,000	722,000	-	1,242,000
<u>Solent Cluster:</u>				
Solent Cluster Contributions	30,000	-	-	30,000
Innovate UK - Decarbonisation Strategy funding	50,280	152,220	-	202,500
<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
<u>Solent LEP:</u>				
Growing Places Fund - Capital	-	13,709,945	-	13,709,945
Local Growth Deal	-	5,017,856	-	5,017,856
LGD Loan recycled funding	-	2,625,000	-	2,625,000
Getting Building Fund - Recycled Loan Funding	-	1,875,000	-	1,875,000
Interest earned on funding yet to pay out	-	2,008,618	-	2,008,618
Interest earned RRR Loans	-	52,500	-	52,500

Enterprise Zone Capital Grant	-	417,783	-	417,783
Grant Total - Funding	5,192,792	32,825,578	186,300	38,204,670

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				51,914,614
--	--	--	--	-------------------

*2022/23 Accruals on Local Growth Deal and Getting Building Fund Schemes	Fund	Amount Accrued	Accrual Defrayed to Date
A326 Highway Improvements	LGD	1,720,583	-
IOW Island Line - Brading Loop	LGD	416,800	-
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		4,509,286	112,500

08.12.2023

Item 5 - Appendix C

Corporate and Strategic Risk Register

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

08.12.2023

Item 5 - 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 £
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)	0	
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	0	0	3,029,266
GPL Earmarked to support Freeport projects														0
GPL - Prosperity Fund Loans														0
GPL - SME Loans														0
<u>Recycled Loan Funds available for Disaggregation</u>												13,709,944	0	13,709,944
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	13,709,944	0	29,739,210
<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)
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)	0	0	

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	(343,500)	(1,210,412)	(1,766,120)	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 Freeport SME Loan Fund Allocation												(1,000,000)		(1,000,000)
<u>Projects Funded</u>														
Vectis Ventures								1,500,000						1,500,000
Greenclose Holdings								925,000	325,000					1,250,000
Solent Freeport SME Loan Fund												1,000,000		1,000,000
<u>Recycled Loan Funds available for Disaggregation</u>									0	0	0	2,625,000		2,625,000
Programme Management costs										35,456	17,500	28,043	44,001	125,000
Sub-total: Loans Advanced	0	0	0	0	0	0	0	2,425,000	325,000	35,456	17,500	3,653,043	44,001	6,500,000
<u>Loans repaid (Capital Receipts)</u>														
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	(343,500)	(1,210,412)	(1,766,120)	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)
<u>Projects Funded</u>														
HIWWT - Nutrient Mitigation Programme									2,000,000					2,000,000
<u>Recycled Loan Funds available for Disaggregation</u>												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
<u>Loans repaid (Capital Receipts)</u>														
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

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Item 5 - 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 (SME Support (COVID-19 priorities)	355,932	1,405,872	380,283	984,025	1,119,607	177,460	-	-	-	-	4,423,179
SME Support Fund - Earmarked for Solent Freeport	-	-	-	-	-	-	361,604	149	-	-	361,753
Solent Growth Fund (Growth deal - 2015/16 to 2021) - Programme Management	150,500	149,500	179,150	141,198	141,014	143,852	-	-	-	1,000,000	1,000,000
The Hard Interchange (PCC)	4,832,000	-	-	-	-	-	-	-	-	-	4,832,000
Dunsbury Hill Farm Link Road (PCC)	4,540,000	-	-	-	-	-	-	-	-	-	4,540,000
Station Quarter North (SCC)	4,185,000	-	-	-	-	-	-	-	-	-	4,185,000
Station Roundabout / Gudge Heath Lane (HCC)	2,065,000	2,888,893	-	-	-	-	-	-	-	-	4,953,893
Cancer Immunology Centre	4,500,000	-	-	-	-	-	-	-	-	-	4,500,000
Environmental Mitigation - Solent Mitigation Disturbance project	1,355,000	-	-	-	-	-	(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	-	20,000
Solent LEP Disaggregation of Funding	-	-	-	-	-	-	-	-	-	5,017,856	5,017,856
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	312,415	9,902,936	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	312,415	9,902,936	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	312,415	9,902,936	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 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	-
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	312,415	9,902,936	178,257,261
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

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Item 5 - Appendix E2

Getting Building Fund

SOLENT LOCAL ENTERPRISE PARTNERSHIP - GETTING BUILDING FUND						
SCHEME NAME	Actual 2020/21 *	Actual 2021/22 **	Actual 2022/23 ***	Budget 2023/24	Budget 2024/25	Total Budget
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	497,501	1,249,999
Portsmouth International Port - Provision of Border Control Post	-	550,000	-	-	0	550,000
Programme Management	109,761	470,239	-	-	0	580,000
TOTAL UTILISATION OF GETTING BUILDING FUND	7,368,044	6,582,112	1,207,342	700,000	497,501	16,354,999
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	300,000	497,501	(1)
TOTALS:	7,368,044	6,582,112	1,207,342	700,000	497,501	16,354,999
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

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Item 5 - Appendix F

Risk Register

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

08.12.2023

Item 5 - Appendix G

Branstone Farm

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

08.12.2023

Item 5 - Appendix H

ABP Cruise Terminal Five

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

08.12.2023

Item 6

General updates

A presentation will be given at the meeting