



---

# NOTICE OF MEETING

---



**SOLENT  
LOCAL  
ENTERPRISE  
PARTNERSHIP**

## **SOLENT GROWTH FORUM**

**TUESDAY, 17 NOVEMBER 2020 AT 11.30 AM**

## **VIRTUAL REMOTE MEETING**

Telephone enquiries to Lauren Hartley on 023 9243 7850

Email: [lauren.hartley@solentlep.gov.uk](mailto:lauren.hartley@solentlep.gov.uk)

---

### **Membership**

Councillor Derek Pretty  
Councillor Susan Bayford  
Councillor Graham Burgess  
Councillor Tony Briggs  
Councillor Michael Beston

Councillor Alexis McEvoy  
David Williams  
Councillor Dan Fitzhenry  
Councillor Philip Raffaelli

---

(NB This Agenda should be retained for future reference with the minutes of this meeting.)

Please note that the agenda, minutes and non-exempt reports are available to view online on the Portsmouth City Council website: [www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

### **AGENDA**

- |          |  |             |
|----------|--|-------------|
| <b>1</b> | <b>Welcome</b> (Pages 3 - 6)   |             |
|          | Attendees and Apologies  | 11:30-11:35 |
|          | Minutes of Last Meeting  |             |
| <b>2</b> | <b>Reflections on Member Induction Workshops</b>                               | 11:35-11:45 |
| <b>3</b> | <b>LEP response to COVID-19 (including SME funding and support programmes)</b> | 11:45-12:30 |
| <b>4</b> | <b>Update on the Local Growth Fund Impact Analysis conducted by AECOM</b>      | 12:30-13:10 |
| <b>5</b> | <b>Governance update on Mid-Year Review</b>                                    | 13:10-13:25 |
| <b>6</b> | <b>AOB</b>   | 13:25-13:30 |

**MEMBERSHIP**

|                                  |                             |
|----------------------------------|-----------------------------|
| Councillor Derek Pretty          | Eastleigh Borough Council   |
| Councillor Susan Bayford         | Fareham Borough Council     |
| Councillor Philip Raffaelli      | Gosport Borough Council     |
| Councillor Graham Burgess        | Hampshire County Council    |
| Councillor Tony Briggs           | Havant Borough Council      |
| Councillor Michael Beston        | Isle Of Wight Council       |
| Councillor Alexis McEvoy         | New Forest District Council |
| Chief Executive - David Williams | Portsmouth City Council     |
| Councillor Dan Fitzhenry         | Southampton City Council    |

**ASSOCIATE MEMBERSHIP**

Councillor Ken Moon East Hampshire County Council

**Ex-Officio Support**

James Fitzgerald S151 Rep, Solent LEP Accountable Body, Portsmouth City Council  
Stuart Baker Solent LEP Assistant Director Strategy and Programme Development  
Lauren Hartley Solent LEP Governance and Compliance Manager

**Invited Attendees**

Steve Futter Solent LEP Assistant Director, Programme Delivery  
Stephanie Cesbron - Aecom  
Richard Jones - Assistant Director of Corporate Governance and Communications  
Brian Johnson Solent LEP Interim Chair

9 November 2020

# Agenda Item 1



**SOLENT  
LOCAL  
ENTERPRISE  
PARTNERSHIP**

**Meeting of the Solent Growth Forum held on Friday 26 June at 09:00 via Zoom video conference**

| <b>Present Councillors/Members</b>                             | <b>Ex-Officio</b>  |
|--|--|
| Councillor Susan Bayford - Fareham Borough Council             | Stuart Baker - Solent LEP Strategy & Programme Development                   |
| Councillor Graham Burgess - Hampshire County Council (Chair)   | Nicola Twiddy - Solent LEP, PA & Office Manager                              |
| Councillor Tony Briggs - Havant Borough Council                | James Fitzgerald - S151 Rep, Solent LEP Accountable                          |
| Councillor Michael Beston - Isle of Wight Council              | Lauren Hartley - Solent LEP Governance and Compliance Manager                |
| Councillor Alexis McEvoy - New Forest District Council         | Sophie Mallon - Legal Representative, Solent LEP                             |
| Councillor Dan Fitzhenry - Southampton City Council            | Peter Smith-Parkyn - Portsmouth City Council Governance & Democratic Officer |
| Councillor Derek Pretty - Eastleigh Borough Council            |  |
| Councillor Philip Raffaelli - Gosport Borough Council          | <b>Guests</b>  |
| Tristan Samuels - Portsmouth City Council (for David Williams) | Ciaran Gunne-Jones - Lichfields (Item 2)                                     |
|  | Lucie Bailey - Lichfields (Item 2)   |
|  | Andy Rumfitt - AECOM (Item 3)  |
| <b>Invited Attendees</b>                                       |  |
| Brian Johnson - Solent LEP Deputy Chair                        |  |
| Anne-Marie Mountfield - Solent LEP Chief Executive             |  |
| SJ Hunt - Solent LEP Board Director                            |  |
|  |  |
| <b>Apologies</b>   |  |
| Cllr Ken Moon  |  |
| David Williams   |  |
| Stuart Baker   |  |

| <b>Item</b>   | <b>ACTION</b> |
|---|---------------|
| <p><b>1. Welcome and Introductions</b><br/>The Chair welcomed all to the meeting.</p> <p><u>Apologies</u><br/>Apologies were noted from Cllr Ken Moon, David Williams and Stuart Baker.</p> <p><u>Minutes of Last Meeting</u><br/>The minutes of the meeting on 30 January 2020 were <b>Agreed</b>.</p> |               |

|   |   |
|---|---|
| <p><b>2.Solent 2050 and Economic Recovery Plan Discussion - Draft Update - Lichfields to present.</b><br/> Lucie Bailey and Ciaran Gunne-Jones from Lichfields joined the meeting.</p> <p>Brian Johnson provided an overview of the Solent 2050 strategy and the work by Lichfields on the Economic Recovery Plan.</p> <p>Ciaran Gunne-Jones and Lucie Bailey provided a presentation on the 'Covid-19 Economic Recovery Discussion'.</p> <p>A discussion was held following the presentation covering the types of organisations the Solent LEP is engaging with on the support packages available.</p> <p>Councillor Alexis McEvoy joined the meeting.</p>  |   |
| <p><b>3.Overview and Scrutiny of the LEP Capital Programme - financial and status update and update on the work underway to evaluate the impact of the Local Growth Deal investment to date.</b><br/> James Fitzgerald provided a presentation on the LEP Budget and Scrutiny of the Capital Programme for the Local Growth Deal.</p> <p>Steve Futter provided an update on two major projects of Stubbington By-pass and North Whiteley, the risk management process and gave an overview of the independent monitoring being undertaken by AECOM.</p> <p>Andy Rumfitt from AECOM joined the meeting.</p> <p>Andy Rumitt provided a presentation on the Local Growth Fun Impact Assessment - An early stage progress review of 18 projects.</p> <p>A discussion was held following the presentation covering monitoring the performance of projects, the objectives set out at the start of the Local Growth Deal and best practice. The forum were also interested in receiving further detail on the governance framework that supports Growth Deals and LEP activity in general, as this would help to support members with their overview and scrutiny role.</p> <p>When AECOM have completed the review, the full evaluation and a comparison with other LEPs will be brought back to a future meeting.</p> <p>Andy Rumfitt left the meeting.</p> | <p>LEP Executive</p> <p>LEP Executive</p> |
| <p><b>4.Solent LEP Response to COVID-19</b><br/> Anne-Marie Mountifield provided a presentation on Responding to Covid-19.</p> <p>A discussion was held following the presentation covering the speed of bring forward programmes to support business, the range of programmes available and the intermediaries the Solent LEP is working with to promote the programmes.</p> <p>All Solent Growth Forum members advised that they would like to receive details for the Crowdfunder programme and they requested that an update on the Crowdfunder programme with be brought back to the next meeting.</p>   | <p>LEP Executive</p>                      |

|                     |  |  |
|---------------------|--|--|
|                     | <p>In general terms Forum members were keen to access further detail on the work of the LEP linked to the development of the Solent 2050 strategy, new funding calls and live projects.</p> <ul style="list-style-type: none"> <li>• Links for the wider work on Solent 2050 and recent Government and local calls for projects and live projects will be shared will be signposted for Solent Growth Forum Members to review as this information is available on the website..</li> <li>• All Solent Growth Forum members to receive the Solent LEP newsletter and to receive contact details for the Solent Growth Hub to share with their networks.</li> <li>• Social Media - Solent LEP will also look at tagging Local Authorities on key announcements &amp; funding programmes on Twitter.</li> </ul> | <p><b>LEP Executive to action all points ahead of the next forum meeting</b></p> |
| <p><b>5.AOB</b></p> | <p>There was no further business so the meeting was closed.</p>  |  |

**Meeting closed at 10:32**

DRAFT

This page is intentionally left blank

# Agenda Item 3



## Item 3

**Title:** LEP response to Covid-19  
**Date:** 17<sup>th</sup> November 2020  
**Purpose:** For Information and advice

---

### 1. Introduction

The following report provides a summary of Solent LEP activity in response to the Covid-19 pandemic, including information in relation to strategy, business support and funding.

### 2. Strategy

2020 has seen Solent businesses face challenges of unprecedented scale as they respond to the impact of the Coronavirus pandemic. Latest post Covid-19 forecasts underline the scale of economic shock and recovery challenge the Solent faces, equivalent to a short term impact worth £4.5 billion and nearly 27,000 job losses. This has required a fundamental change in our strategic approach and we have established a Solent Economic Recovery Plan to shape our response and support our economy to survive, stabilise and grow. Of course, the situation remains highly dynamic, with a second England-wide lockdown covering the period 7<sup>th</sup> November to 2 December now underway.

In recognition of this, the LEP has published a Solent Economic Recovery Plan. The pandemic and associated restrictions imposed on our everyday lives have already caused a major economic shock to the global economy, and businesses and communities across the Solent are feeling the immediate effects of this. All aspects of the region's economy have been impacted in some way, and in some respects, the future in the aftermath of the pandemic will look very different. So as a region it is vital that we not only help support a return to business-as-usual, but also take action now to ensure we can be more resilient to future disruptions and seize the opportunities for innovation and the benefits of doing things differently that have been brought about by the pandemic.

Building on the programme of support already being provided at national and local levels, the Plan sets out the actions and interventions that the Solent LEP will bring forward to support our local economy in the current challenging circumstances, and critically, also position the Solent for recovery and growth in line with the long-term objectives set out in our emerging longer-term strategy Solent 2050. Whilst it has been developed by the Solent LEP, the Plan has been informed by our close working relationships with local partners, including local authorities, sector groups, the business community, colleges and universities. Delivery of the Plan will depend on continuing the strong tradition of partnership working that is a key part of the economic success

of the Solent region. A copy of the Economic Recovery Plan is available at: <https://solentlep.org.uk/media/3268/solent-economic-recovery-plan-25920.pdf>

Our response through this Economic Recovery Plan takes a three-stage approach to drive activity over the next few years focused in turn on: survival, stability and growth:

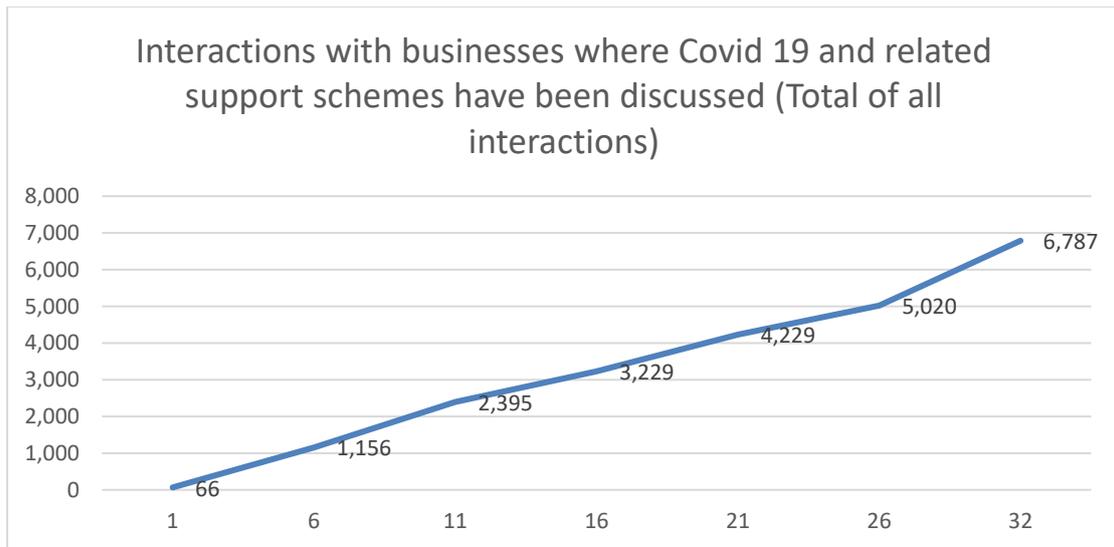
- **Survival:** over the first 12 months, we will continue to be focused on the immediate activities required to help the Solent's economy to function whilst some degree of restriction on normal activities remains in place. This includes many of the emergency support measures which have already been brought forward by the Solent LEP, and which may need to be extended, and give critical support to our businesses and communities.
- **Stability:** between 12-24 months, we want to work with businesses and other local partners to support the Solent's adjustment to the 'new normal', and at the same time increasing the region's adaptability and future resilience. This will not only help to protect the productive capacity of the Solent during what is likely to be a period of national recession, but also ensure that we are better placed to respond to potential future disruptions.
- **Growth:** we want to ensure that the Solent has the strongest platform possible for recovery by accelerating progress to meet our long-term ambitions for transformation, productivity and prosperity, aligned to the vision set out in Solent 2050. This will include maximising the opportunities for growth arising from the pandemic in a way that helps build a more resilient and innovative Solent region, and supports 'levelling up' within our region and with the rest of the UK.

We have adopted this three-stage approach to help ensure that our activities and resources can be deployed in the most effective way as lockdown restrictions are lifted and the region's economy restarts. This also recognises that the timing and pace of recovery may be different for individual sectors and locations across the Solent. We will also be flexible and responsive to real-time changes in circumstances; for example, the potential for any further periods of national or local lockdowns, and how government support packages evolve. This means that the three stages will overlap, and practically some activities will take place in parallel. We will keep this under review. Our Recovery Plan is focused on how we deliver activities over the next few years, as part of the initial phase of delivering the Solent 2050 strategy. In due course, the Solent LEP will monitor and review the Solent 2050 strategy priorities to take account of the activities delivered through this Economic Recovery Plan.

The Solent Economic Recovery Plan and emerging strategic framework is framing policy and investment decisions, ahead of agreeing our new economic strategy with Government.

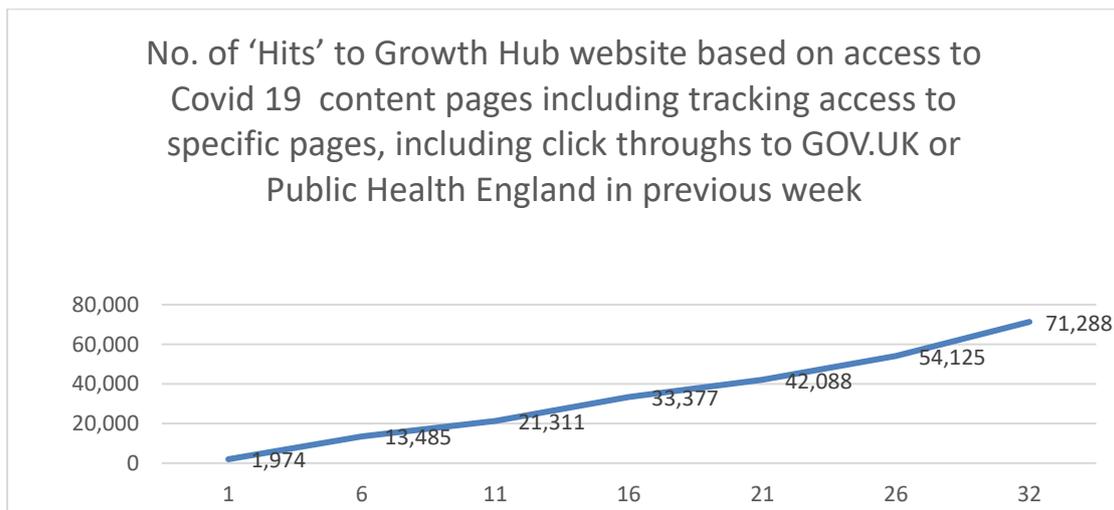
### 3. Business Support

Since March 2020, the Solent LEP have established remote working for all staff and this has ensured that our business support service, the Solent Growth Hub, has been available to businesses throughout the year with no break in service for SMEs seeking to access support. Demand for the support service has been exceptionally high and, in response to this, the LEP has secured additional resources to meet demand, through redirecting resource from other business areas with transferable skills (such as our skills team) and recruitment of new staff. An overview of engagement with businesses on a cumulative weekly basis since w/c 23rd March 2020 is provided below:



The support available includes one-to-one, "high intensity" (minimum of 12 hours of support) engagement with businesses, and the LEP has launched a virtual business resilience programme in partnership with leading accountants and business advisers, BDO. Further information on the Business Resilience Programme is available at: <https://www.solentgrowthhub.co.uk/home/about-us/business-resilience-programme/>

Alongside, this direct support, the focus of the service has been pivoted to provide online information, advice and guidance for businesses through a range of tools, including establishment of a dedicated Coronavirus Support Hub (<https://solentlep.org.uk/coronavirus-support-hub/>), eNews updates providing latest information to circa 7,500 contacts and development of new online support content (example at: <https://youtu.be/zE7A6nJEnq8>). An overview of access to the online support hub on a cumulative weekly basis since w/c23rd March 2020 is provided below:



In addition, to enhance the online resources available for business, the Solent LEP launched a free online Covid-19 Business Support Tool on Monday 11<sup>th</sup> May 2020 to help businesses develop their own roadmap to restart, restore and recover. The Covid-19 Business Support Tool provides businesses in the Solent with a valuable review of their current position in a range of key areas, including; business strategy and operations, sales and marketing, supply chain,

customers and clients, employees and people management and finance. The Covid-19 Business Support Tool is available now at: <https://solentlep.org.uk/self-help-resources-toolkits-for-all/>

Critically, the Solent LEP has also prioritised activity to convene other partners across the Solent area to provide a more coordinated response to the pandemic and maximise the level of support available. At a strategic level, this has included establishment of a Solent Coronavirus Business Support Taskforce, consisting of local authorities, business support organisations and intermediaries to develop partnership approaches and gather intelligence to inform reporting to central Government across key initiatives and impacts.

Alongside the taskforce, the LEP has utilised strategic partnerships to bring forward activity in the Solent. This has included support programmes, such as the [Rapid Response Mentoring Programme](#) in partnership with Be the Business, as well as continued work to deliver a programme of events and masterclasses for businesses seeking support. This programme is now delivered virtually through a range of webinars and, examples of support sessions provided include:

- Series of three legal support webinars in partnership with Paris Smith LLP covering:
  - Redundancies and talent retention - 16 June 2020
  - Changes to the furlough scheme - 23 June 2020
  - Responding to the changing landscape of work - 14 July 2020
- Support for SMEs to get started and make the most of eCommerce platforms in partnership with eBay and Caroline Dinenage MP - 6 November 2020
- Managing cashflow and Building Resilience in partnership with EY and British Business Bank - 17 November 2020

#### 4. Funding

In addition to the provision of business support activity, the Solent LEP has made a range of investments to support economic recovery and information on each programme, including key outputs delivered during the period, is provided below:

**SME Restart and Recovery & Kickstarting Tourism Grant Fund:** The Solent LEP received confirmation from MHCLG of an allocation of additional ERDF to respond to the impact of Covid-19, including £157,341 in relation to the Visitor Economy and £250,000 in relation to the wider economy. In terms of administering the funds, the LEP is working in partnership with the University of Portsmouth to ensure SMEs can access this funding in the Solent. Funding available is for SMEs to access grants of between £1,000 - £3,000 (and up to £5,000 in exceptional circumstances), with no match funding requirement, and can be utilised to access professional services, purchase minor equipment or adopt new technology to continue or diversify business activity.

Ahead of launching the programme, the Solent LEP reviewed feedback received from other LEPs which indicated that first-come-first-served models are being overwhelmed by demand (and closing extremely early) and that the approach is not resulting in targeted investment. On this basis, the Solent LEP opted for a phased approach to application rounds to enable effective targeting and prioritisation of funds. The Solent LEP is also utilising a one-stage application process to assist with managing demand and ensuring prioritisation can be undertaken effectively. Round one launched on 16 September and closed on 23 September 2020. 162 applications were received during round 1 and 37 projects have been agreed for funding by the LEPs Business Support Investment Panel. This includes 21 visitor economy projects and 16

wider economy projects. The supported projects recommended for support represent a total investment value of £94,399. At the time of writing, the LEP is making arrangements for a second funding round to launch in response to the recent announcement of a second national lockdown.

**Rural Resilience Funds:** The Solent LEP has launched two rural resilience programmes through Natural Enterprise to support ongoing rural business funds across both the Isle of Wight and New Forest areas.

The Isle of Wight Rural Business Resilience Fund launched on 1<sup>st</sup> April and full information on the support available can be found at: <http://www.naturalenterprise.co.uk/pages/economic/159-isle-of-wight-rural-business-resilience-fund> 35 projects have been approved for funding with a total LEP investment of £71,253. The supported projects are expected to safeguard 99.5 FTE jobs on the Island. The resilience fund is now closed and the LEP has established a reconstituted fund to support rural businesses moving forward and this launched on 12<sup>th</sup> August 2020 and details are available here: <http://www.naturalenterprise.co.uk/pages/economic/110-the-isle-of-wight-sme-fund> The first round of the relaunched fund closed on Thursday 3<sup>rd</sup> September and five projects were supported with £124,977 LEP investment which will create and / or safeguard a further 11 jobs on the Island.

The New Forest Rural resilience fund launched on 30<sup>th</sup> April and full information on the support available can be found at: <https://solentlep.org.uk/new-forest-rural-business-resilience-fund/> 17 projects have been approved for funding through this fund, committing £33,245 and safeguarding 18.8 FTE jobs in the New Forest. Similar to the approach with the Isle of Wight Fund, the fund was relaunched on 18<sup>th</sup> August 2020 following work to renew the fund, utilising additional LEP investment, to support rural businesses through the economic recovery phase of activity. Details in relation to the reconstituted fund are available here: <https://solentlep.org.uk/what-we-do/news/new-forest-rural-businesses-to-receive-funding-boost/> The deadline for the first round of applications for the relaunched fund was on 15<sup>th</sup> October and applications will be reviewed for investment decisions by the panel in November 2020.

**Solent LEP Pay it Forward Fund:** The Solent LEP Pay it Forward fund, operated in partnership with Crowdfunder, is providing support for Solent-based micro and small businesses seeking to cope in challenging trading conditions as a result of the COVID-19 pandemic. The Solent LEP Pay it Forward fund seeks projects that can demonstrate how they will help a business cope with current challenging trading conditions. There is a maximum pledge of up to £2,000 per micro business (fewer than 10 staff) and up to £5,000 per small business (fewer than 50 staff) available, contributing up to 50% towards the businesses total fund-raising target.

To access LEP funding, businesses need to raise at least 50% of their target from at least 10 different backers; ensuring our funding reaches those businesses that matter most to local communities. The Solent LEP will match this investment, pound for pound, up to the maximum pledge value. Full details on the support available, including how businesses can start crowd funding is available now at: <https://www.crowdfunder.co.uk/funds/crowdfund-solent>

The Solent LEP has now received 125 applications from businesses for funding and 84 have been approved with a total value of £188,500 LEP investment.

**Solent LEP Restart, Restore and Recover Loan Fund:** As reported in previous LEP intelligence reports, the fund launched on 4<sup>th</sup> June 2020 and full information on the fund is available at: <https://solentlep.org.uk/covid-19-restart-restore-and-recover-loan/>

The Restart, Restore and Recover Loan Fund has been made available as a bridging facility ahead of businesses accessing Government support offers and also to plug gaps in the Government support offers identified by the local business community, on the following basis:

1. Loans of between £250,000 and £1,500,000 for businesses providing Economic Lifeline and Essential Services (see glossary) who need bridging finance ahead of accessing other Government support, or for those who need loan finance and cannot access other Government support, such as the Coronavirus Business Interruption Loan Scheme (CBILS).
2. Loan funding of between £100,000 and up to £1,500,000 where other COVID-19 support is not available, or the amount businesses can access is insufficient to deliver their recovery plan.

Weekly webinars have been held to support potential applicants seeking to access the funds. Nine applications for funding have been received seeking loan funding support of over £6.1 million. Two projects have been agreed for funding to date with a total loan value of £2.75m and two further applications are currently being reviewed.

Based on the interest and successful applications to the fund to date, it remains clear that there is demand for this form of loan funding in the Solent and, in particular, from businesses operating in the visitor economy sector. The first round of the fund concluded on 31<sup>st</sup> October 2020 and is currently under review following the announcement of a second national lockdown.

### **Capital Investment Programme to support economic recovery**

Alongside direct funding support to SMEs, the Solent LEP has also started to bring forward initiatives to support economic restart and recovery through a capital programme of major schemes which will help kick start recovery.

As part of developing a strategic road to recovery on 18 June 2020 we announced that we have awarded the University of Portsmouth £3.6M towards the development of a Centre for Creative and Immersive eXtended Reality.

The Centre for Creative and Immersive eXtended Reality (CCIXR) focuses on digital skills and technology; this is the first major capital investment that we have made following the Covid-19 pandemic.

The Centre will deliver 12 state-of-the-art XR laboratories with specialist equipment that will be used for business engagement, technical support, applied research projects and skills training. The investment in the CCIXR will support 800 businesses, create 200 new jobs and see 500 new learners supported through courses and workshops.

On 25 June 2020 we followed up this by announcing the award of £5.6m capital funding to Hampshire County Council to support investment in the A326 which is the major road access to the Fawley peninsula, home to key economic assets such as the Exxon Mobil advanced petrochemical facility, Solent Gateway (the former Marchwood MOD seamounting facility) and port related activity. The LEP investment will be critical to helping to catalyse growth and support economic recovery in the Solent. Investment in eight junctions along the A326 will not only bring about benefits for existing businesses and residents, vehicles, pedestrians and cyclists, it will also enable the Fawley Waterside Development to be brought forward, allowing the benefits associated with the development to be realised earlier than they otherwise would have been. A

copy of the announcement can be found at <https://solentlep.org.uk/what-we-do/news/our-56m-investment-opens-up-coastal-development-on-southampton-water/>

The LEP has finalised contract arrangements in relation to three further capital investments with £10.1m LEP investment into rail, flood defence and energy infrastructure. Announcements in relation to these investments are expected shortly.

Finally the LEP is also looking at the pipeline of projects that could come forward as part of The Getting Building Fund. Following the MHCLG call for projects we have brought together a portfolio of 68 projects with a total value of over £900 million. This demonstrates the capacity of the area to respond to the economic challenges created as a result of COVID-19 and it also showcases the potential of the area as a catalyst for growth. The LEP submitted 11 projects that are shovel ready and can start and complete by December 2021. This is a £277 million programme of activity seeking a £48.17 million contribution from government and private sector leverage is strong. The broader outputs around housing (4,000+), jobs (6,000+ new jobs and over 13,000 construction jobs) and human capital is also strong and there is a well-balanced spread of proposals across the area reflecting our desire to bring forward a stimulus package for the whole of the Solent which also responds to the ministerial objectives around driving up growth and jobs whilst supporting green recovery, and at the same time improving digital connectivity on our peninsulas.

On 1<sup>st</sup> July 2020, the Solent LEP received confirmation that we will receive up to an additional £15.9 million for the Solent area and the Solent LEP have engaged with all of the 11 projects in the initial pipeline submitted to better understand affordability considerations, such as scalability of proposals, to inform the LEPs prioritisation process. The Solent LEP Board agreed a final package of six projects to progress with the funds. The projects will leverage an additional investment of £58.74 million, directly creating over 730 jobs. Our construction industry will also be re-energised through the creation of over 3,600 additional jobs in the sector. Critically our coastal communities will benefit from the unlocking of 1,500 new homes and there is a programme of town and city centre modernisation through targeted investments in our maritime and visitor economy infrastructure and the enhancement of digital connectivity to support economic performance in our more isolated coastal areas, including the delivery of over 23,000 new super or ultra-fast broad band connections. Looking to the future we have also prioritised investment in our innovation ecosystem to secure improvements to our research and development facilities, spearheading a revolution in green recovery and low carbon technology and our human capital will be enhanced through nearly 500sqm of new learning and training floor space and 2,800 sq. m of employment floor space. This also delivers on our ambition to pioneer new approaches to climate change adaptation and decarbonisation as delivery of these projects will reduce CO2 emissions by over 34 million kg.

Further details in relation to the Getting Building Fund are available at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/906579/GBF\\_Summary\\_Solent\\_LEP.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/906579/GBF_Summary_Solent_LEP.pdf)

### **Equality impact assessment**

EIA not required for note items.

### **Legal implications**

There are no direct legal implications arising from this report itself. In relation to section 4 of the report - funding. Legal advice and assistance is provided prior to any issuing of any Grant Agreement ensuring necessary controls and mechanisms to secure Grant sums as against Project outputs are in place.

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

All of the LEP funding that has been directed to COVID support activities and programmes has been agreed by the LEP Board and has come from within the approved LEP budget.

# Agenda Item 5



## Item 5

**Title:** Governance Update on Mid-Year Review  
**Date:** 17<sup>th</sup> November 2020  
**Purpose:** For Information and advice

---

### 1. Background

As part of the assurance monitoring process, the National Local Growth Assurance Framework requires all LEPs to publish an annual report and delivery plan. The delivery plan and annual report should set out a well-developed understanding of the local economic evidence base to identify opportunities and obstacles to inclusive growth, prosperity and improved productivity. Government will work with LEPs to develop measures to report against in the plan and report. These will be considered as part of the annual assurance process. Delivery plans and annual reports should be published at the beginning of each financial year.

The LEP Board agreed a Delivery Plan for 2020/21 at their meeting on 9<sup>th</sup> March 2020, however, following the Covid-19 pandemic, work was undertaken to review the delivery plan and a revised version was agreed by the Board at an extraordinary meeting held on 22<sup>nd</sup> April 2020. The Delivery Plan was published on 30<sup>th</sup> April 2020 and a copy of this is available at: <https://solentlep.org.uk/media/2999/solent-lep-delivery-plan-rev-april-2020-final.pdf>

The LEPs next Annual Report will need to provide an update on progress against the delivery plan and it is good practice for the Board to undertake a mid-year review of activity against the delivery plan. In addition to this, SGF Members are advised that the LEP undertakes a formal Annual Performance Review with Government each year and it is anticipated that progress against the delivery plan will form part of this review. The Government do also undertake a mid-year review with the LEP - which is an officer-led process - and SGF Members should note that the 2020 mid-year review took place virtually on 7<sup>th</sup> October 2020. There are no outstanding actions for the Solent LEP from the meeting and feedback was extremely positive.

In addition to the mid-year review meeting, the Annual Performance Review process also includes a range of desk based compliance checks by the Cities and Local Growth Unit assurance team. These checks were scheduled for April 2020; however due to the response to Covid-19, they were postponed. The assurance team will be conducting desk-based checks of LEPs' publicly available information (i.e. their website, including documents published on the website) and it is anticipated that the assurance team will complete their checks and feedback the outcomes to each area lead by the end of November to pass onto LEPs.

The LEP will also be required to participate in a formal Annual Performance Review meeting with Government. Details in relation to the meeting are awaited, however, it is anticipated that the meeting is likely to be scheduled for January/February 2021. The LEP will receive confirmation

of performance outcomes in relation to the themes of governance, delivery and strategy following the meeting. At present, the LEP does not have confirmed details in relation to the grading for these areas.

The final element of the Annual Performance Review process is undertaken by the Section 151 Officer of our Accountable Body, who will be required to submit a letter to the Ministry of Housing, Communities and Local Government Accounting Officer by 28 February 2021. This should include:

- A. Details of the checks that the S151 Officer (or deputies) has taken to assure themselves that the LEP has in place the processes that ensure proper administration of financial affairs in the LEP;
- B. A statement outlining whether, having considered all the relevant information, the Section 151 Officer is of the opinion that the financial affairs of the LEP are being properly administered (including consistently with the National Local Growth Assurance Framework and the LEP's Local Assurance Framework); and
- C. If not, information about the main concerns and recommendations about the arrangements which need to be implemented in order to get the LEP to be properly administered.

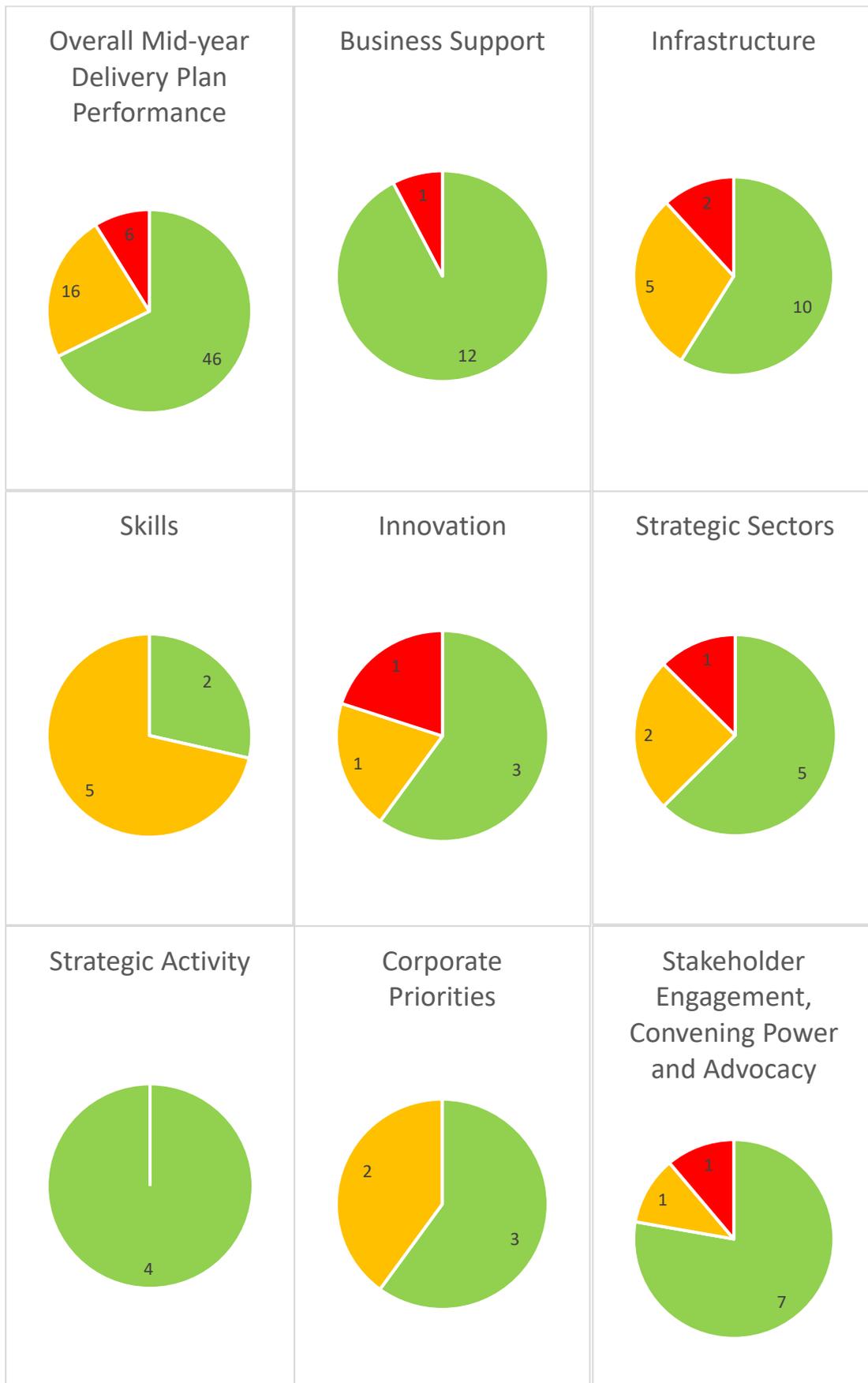
As part of this final element of the process, the LEP reviews the Local Assurance Framework on a regular basis and this review is currently underway.

## **2. Mid-Year Review**

The Solent LEP Delivery Plan includes a range of strategic objectives, supporting activities and associated outputs/milestones under each of the strategic priorities agreed by the LEP Board.

The following paper provides a dashboard summary of performance against delivery plan activities as at September 2020, demonstrating the total number of Red, Amber and Green activities within the plan as a whole and in relation to each specific section.

**Mid-Year Review Dashboard**



## Dashboard Commentary

The review indicates a strong performance from the Solent LEP within the first half of 2020/21 with 46 out of 68<sup>1</sup> green, and only six red, rated activities.

The LEPs performance has been particularly strong in relation to business support, strategic activity and stakeholder engagement, convening power and advocacy and this reflects the focus of the organisation on delivering an immediate response to support businesses, bring together key agencies and lead the development of an [Economic Recovery Plan](#) for the Solent.

However, Covid-19 has had an impact across many areas of the delivery plan as indicated in the dashboard.

In relation to the six activities rated red these include the following:

- **Promote the SME focused Solent Prosperity Fund to secure applications for start-up and SME high growth businesses.** - work has not progressed in relation to this activity and business support resources have, understandably, been targeted towards supporting business resilience, as opposed to growth, in response to the initial "survival" stage of the pandemic. However, it is recognised that supporting new start-ups and SME high growth businesses will form an important element of the LEPs work to support economic recovery and this activity will be revisited in the second half of 2020/21.
- **Delivery of 342 new homes [at Centenary Quay] by March 2020, facilitated by investment into the key public infrastructure for the scheme.** - The scheme promoter has been significantly impacted by Covid-19. Development on-site stopped in March due to Covid restrictions. Arrangements are being made for FFPMG to receive an update from the project lead at their next meeting in November.
- **Work with the private and public sectors to develop private sector-led proposals for water taxi use on Southampton Water.** - this work has not progressed due to redirection of Solent LEP focus/resources towards business support activity and also the impact of the pandemic on partner organisations. However, there remains a longer-term ambition to bring forward this work and there is an opportunity to revisit this in the context of the LEPs Economic Recovery Plan and request to establish a decarbonisation hub and Freeport set out under the LEPs [Comprehensive Spending Review submission](#). However, it should be noted that, within the current context of lockdown / social distancing restrictions, limited funds for investment and collapse in confidence in public transport experienced by existing infrastructure providers, it is unlikely this work will be progressed significantly in the short-term.
- **Jointly develop with the Isle of Wight Council Innovation Wight project, to realise a new £1.75m innovation centre at Northwood to create 250 new jobs through state-of-the-art space for start-ups and existing businesses.** - progress has stalled in relation to this project and an update on this is awaited from the Isle of Wight Council.
- **Promote Solent's maritime assets internationally through US and UK Global Trade Forum during autumn 2020.** - As a consequence of the COVID-19 pandemic, all international trade missions remain on hold.
- **Renew the Solent LEP website, incorporating the Solent Growth Hub and the Solent Enterprise Adviser activity.** - Significant work has been undertaken during 2020/21 to pivot the LEPs business support offer to primarily online delivery using the

---

<sup>1</sup> The published delivery plan includes 69 activities, however, one activity relating to the Solent University, Warsash School of Maritime Science & Engineering (WSMSE): Safety Training Centre project has been removed from this review following the decision of Solent University to withdraw the project as a result of the Covid-19 pandemic.

LEPs existing online portals. However, there remains an imperative to secure a new website that will better showcase the work of the LEP, promote its business support and skills offerings, demonstrate best practice in accessibility and meet with HM Government requirements. Capacity challenges have limited the ability to progress this work and additional resourcing will now be allocated to this to enable the activity to be progress during the second half of 2020/21.

In addition to the review of the delivery plan, it should be noted that the LEP has undertaken significant additional activity during the period which was not known during April 2020. This work should also be considered when reviewing the LEPs performance during 2020/21. Key examples of additional activity not included within the work programme when the delivery plan was considered include:

- **Restart, Restore, Recover Loan Fund:** The LEP launched the fund on 4th June 2020 and full information on the fund is available at: <https://solentlep.org.uk/covid-19-restart-restore-and-recover-loan/> Weekly webinars have been held to support potential applicants seeking to access the funds and nine applications seeking loan funding support of over £6.1 million have been received to date. The Solent LEP Board has agreed two loan requests totalling £2.75 million to date. Based on the interest and successful applications to the fund, it remains clear that there is demand for this form of loan funding in the Solent and, in particular, from businesses operating in the visitor economy sector. Round 1 of the fund closed at the end of October 2020.
- **ERDF Restart and Recovery & Kickstarting Tourism Grant Fund:** The Solent LEP received confirmation from MHCLG of an allocation of additional ERDF to respond to the impact of Covid-19, including £157,341 in relation to the Visitor Economy and £250,000 in relation to the wider economy. The LEP is working in partnership with the University of Portsmouth to ensure SMEs can access this funding in the Solent. Round one launched on 16 September and closed on 23 September 2020 and circa £100,000 of funding is being provided to SMEs under the first round. Alongside this work, the LEP is making arrangements for a second funding round to launch in November in response to a second national lockdown and businesses are already registering their interest in relation to additional funding rounds.
- **Getting Building Fund:** Following the MHCLG call for projects the LEP brought together a portfolio of 68 projects with a total value of over £900 million. This demonstrates the capacity of the area to respond to the economic challenges created as a result of COVID-19 and it also showcases the potential of the area as a catalyst for growth. The LEP submitted 11 projects that were shovel ready and could start and complete by December 2021. On 1st July 2020, the Solent LEP received confirmation that we will receive up to an additional £15.9 million for the Solent area and the Solent LEP have engaged with all of the 11 projects in the initial pipeline submitted to better understand affordability considerations, such as scalability of proposals, to inform the LEPs prioritisation process. The Solent LEP Board considered the pipeline of projects in the context of the £15.9m funding available at their meeting on 17th July 2020 and agreed a final package of six projects to progress with the funds. The projects will leverage an additional investment of £58.74 million, directly creating over 730 jobs. Our construction industry will also be re-energised through the creation of over 3,600 additional jobs in the sector. Critically our coastal communities will benefit from the unlocking of 1,500 new homes and there is a programme of town and city centre modernisation through targeted investments in our maritime and visitor economy infrastructure and the enhancement of digital connectivity to support economic performance in our more isolated coastal areas,

including the delivery of over 23,000 new super or ultra-fast broad band connections. Looking to the future we have also prioritised investment in our innovation ecosystem to secure improvements to our research and development facilities, spearheading a revolution in green recovery and low carbon technology and our human capital will be enhanced through nearly 500sqm of new learning and training floor space and 2,800sqm of employment floor space. This also delivers on our ambition to pioneer new approaches to climate change adaptation and decarbonisation as delivery of these projects will reduce CO2 emissions by over 34 million kg. A further update on this is included in item 5b.

- **Coordination of national call for PPE:** The Solent LEP has played an active role in this space, including work with Portsmouth City Council, Southampton City Council and Hampshire Fire and Rescue to support a drive to increase the supply of more Personal Protective Equipment (PPE) across the area to respond to the COVID-19 crisis. The LEP has also directed funding to support local sewing group Team Scrubbers by purchasing material that will be made into additional scrubs for Portsmouth and Southampton-based NHS and medical staff.

### 3. 2020 Annual Report

As set out in section 1, as part of the assurance monitoring process, the LEP is required to publish an annual report at the beginning of each financial year. A copy of the Solent LEP 2019 Annual Report is [available here](#) for reference.

Work has commenced in relation to preparation of the 2020 annual report and, in terms of format, the annual report will draw on the structure agreed for the 2019 version. A draft Annual Report will be brought forward for consideration early in the new year to ensure that it can be finalised for publication on 1<sup>st</sup> April 2021 and, in the interim to this, the Executive would welcome any feedback or advice in relation to the format for the 2020 Annual Report to inform its preparation.

#### **Resolution:**

Solent Growth Forum Members are asked to:

- **Note** the update on the Annual Performance Review process.
- **Note** the mid-year delivery plan performance review.
- **Provide advice** in relation to the format of the 2020 Annual Report

#### **Equality impact assessment**

EIA not required for note items.

#### **Legal implications**

In relation to the recommendation to note the mid - year delivery plan performance review there are no direct legal considerations arising from the recommendation.

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

There are no specific financial implications arising from this update.