



Local Growth Deal

Annual Progress Review Guidance

August 2021

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The Solent area is an internationally-recognised key economic hub comprising the Isle of Wight, the two cities of Portsmouth and Southampton, and a constellation of large towns along the M27 corridor, New Forest and the Solent waterway.

Solent Local Enterprise Partnership (LEP) has invested in a large number of projects through its Local Growth Deal and Getting Building funds. As part of the ongoing monitoring and review of projects Annual progress reviews (APRs) will continue with each review comprising completion of a pre-meeting report and a subsequent meeting with the Solent LEP Delivery Team. The review is an opportunity to discuss progress towards each project's goals at a broad level, considering the quarterly Delta returns, claim reports and other communications between the project and the Solent LEP.

This document sets out the background behind the annual progress review, the method for undertaking the review, and what can be expected next for our funded projects.

2 Background

2.1 The Solent Local Enterprise Partnership

The Solent Local Enterprise Partnership (LEP) is the key interface and lead for economic development in the Solent, an area (See map 1, below) that stretches from Hayling Island in the east, to the New Forest in the west, and includes the Isle of Wight and the two cities of Portsmouth and Southampton. It is a partnership organisation between the business community, the Further Education and Higher Education sector, three unitary authorities, eight district councils and one county council. All the partners are actively working together to secure a more prosperous and sustainable future for the Solent area, providing the resources and economic environment which makes it easier for businesses and individuals to be productive and where pioneering research is encouraged through support for relevant institutions. For further information on the Solent LEP, please visit our [website](#).

Map 1: Solent LEP Area



2.2 National Context

The Government undertakes a rigorous audit of all LEPs on an ongoing basis to ensure they are making best use of their resources, including an annual performance review. It is part of every LEP's duty to ensure their projects are delivered as contractually agreed and in accordance with their agreed implementation plans.

In order to ensure the Solent area benefits from future Government funding, the LEP needs to prove that grant funded projects are providing a tangible benefit for the local economy.

3 Annual Progress Review Process

3.1 Annual Progress Review Process Introduction

The purpose of the annual progress review is to enable a face-to-face dialogue between the LEP as funder, and the senior responsible officer for each LEP funded project. This goes beyond the quarterly monitoring Delta returns, to make sure that the story behind each project is fully understood by all parties, and the funded project and the LEP can work together to resolve any issues, make sure opportunities for collaboration and promotion are identified, and have a productive conversation about project progress.

Ongoing monitoring and evaluation of any project is an essential way of ensuring the activity stays on track, and is delivering the intended benefits to the Solent area. The Government's [Green Book](#) introduces the concept as part of the business planning cycle, and summarises the core evaluation questions as set out below:

Box 16. Core Evaluation Questions

To what extent were the SMART objectives achieved and by when, in particular:

- to what extent were outputs delivered and when?
- to what extent were the anticipated outcomes produced and by when?
- what continuing change is expected as a result of the above?
- how well did the process of delivering the outputs and outcomes work?
- were there significant unintended effects?
- what social value was created as defined in the economic dimension?
- what level of confidence can be attributed to the estimates of impact, including social value?
- what was the cost to the public sector as defined in the financial dimension?

HM Treasury, The Green Book, page 54

Solent LEP understands that there is a significant load placed on projects to complete paperwork at application, contracting and claim stages. The LEP undertakes ongoing review and refinement of all funding paperwork, and always strives to streamline its processes. The annual progress review also presents an opportunity for funding recipients to provide constructive feedback to the LEP about how it can further improve its processes.

The annual progress review will be broken down into three key areas for each project: finance, delivery and reputation. These same three headings form the basis of the Local Growth Deal risk assessment contained within both the reports considered by LEP Board Directors and the quarterly Delta report which the LEP submits to HM Government. The data from the quarterly Delta reports submitted by each project is aggregated into the same report submitted to HM Government, which is why timely submission by projects of their Delta returns is crucial.

3.2 Finance

Each grant funded project is awarded an amount of funding which is also expressed as a percentage of the total project cost. Solent LEP needs to ensure that its investment is maintained at these levels, in order to stay within State Aid rules governing public funds. The

LEP also needs to ensure that there continues to be 'buy-in' from other parties in the form of match funding, and that the monies earmarked for the project have been spent in accordance with the business case and grant funding contract.

At the annual progress review, the 'spend' tab of the latest quarterly monitoring Delta return will be referred to, alongside previous or current grant claim information, visit reports and any other recent information regarding the project's progress. Solent LEP will check whether full defrayal evidence has been supplied, and identify any gaps in evidence which need to be addressed. Defrayal evidence usually consists of invoices related to the project expenditure, proof of payment of those invoices, and in some cases bank statement evidence to show the payments are being made from an appropriate bank account. Each project will be advised as to whether any further evidence is required.

The pre-meeting report includes questions relating to the finances of the grant funded project, and should be used by the project to identify any concerns, questions or opportunities for discussion.

3.3 Delivery

Each grant funded project commits to a series of outputs it plans to achieve over a set period of time. These often relate to jobs, housing or qualifications for example. Solent LEP needs to ensure that the projects in which it has invested are achieving the outputs as set out in the contract in a timely manner. This tests whether the LEP is getting value for money for its investment of public funds.

At the annual progress review, the 'outputs' and 'milestones' tabs of the latest quarterly monitoring Delta return will be referred to, alongside previous or current grant claim information regarding outputs, or other recent information about the project. It is also a chance to review the 'risks' and 'issues' tabs of the quarterly monitoring Delta return as these are likely to impact the delivery of the project.

We will ask you for both quantitative and qualitative evidence of economic, social and environmental impacts as appropriate for your project. The review is an opportunity for you to explain any wider, unforeseen benefits that are attributable to the intervention, and whether outcomes would have been achieved to the same scale in the absence of the LEP's support.

The pre-meeting report (Annexe 1) includes questions relating to the delivery of the grant funded project, and should be used by the project to identify any concerns, questions or opportunities for discussion.

3.4 Reputation

Each grant funded project not only has its own interest in ensuring a positive reputation, but the contract with the LEP includes a section regarding publicity. Solent LEP needs to understand what has been done to publicise the project, and whether the Solent LEP and the Government have been appropriately credited as per the publicity guidance document issued with the contract. The Solent LEP also needs to understand if there has been any instances of negative publicity, and how this has been managed by the project.

There are a number of Solent LEP events and campaigns currently planned, with more to be added throughout the coming months. We want to ensure our funded projects make the best use of these events and campaigns to promote their work.

The pre-meeting report includes questions relating to the reputation of the grant funded project, and should be used by the project to identify any concerns, questions or opportunities for discussion.

3.5 Pre-meeting Report

Prior to the annual progress review meeting, you will be issued with a pre-meeting report template to complete (Annexe 1 below). This is an opportunity for each project to document progress towards delivering their project, and to attach any new, updated or outstanding evidence such as defrayal evidence, evidence of outputs, photographs, press extracts or other supporting documentation. You will also be able to list any challenges or achievements your project has faced, and lessons learned along the way. There will also be an opportunity for you to give constructive feedback to the Solent LEP about its processes and your experience of working with the LEP. This document will be used as the basis for the conversation at the annual progress review meeting and, as such, will need to be completed by you and submitted in advance of the meeting.

3.6 The Annual Progress Review Meeting

You will be contacted by the Solent LEP to arrange the annual progress review meeting. The meeting will be held via M/S Teams or other conferencing facility to be agreed between both parties. We anticipate the meeting taking around one hour unless we are covering multiple projects which will take longer.

The Solent LEP will be represented by a member of the LEP Executive and a representative from the Accountable Body (Portsmouth City Council) finance team. You will be notified in advance if others are invited to attend. It is expected that the project will be represented by those managing the project on a day-to-day basis, and the authorised representative stated in the contract. It is important that the representatives attending the meeting have a sound understanding of the project, the funding contract and have the authority to make decisions regarding the project.

3.7 Post Meeting Actions

The annual progress review meeting will be documented in the form of key points and action notes. These will be issued within two weeks of the meeting to ensure all parties are clear about what was agreed and any follow up actions.

Quarterly monitoring Delta returns will not be affected by the APR process.

After the meeting, the Solent LEP team will score all projects according to the LEP's risk framework (see Annexe 2). Should any concerns be identified, additional actions will be required as set out in Annexe 3.

4 Contact Information

Should you have any questions in relation to the annual progress review, please contact the Capital and Infrastructure Team on:

Email: solentgrowthdeal@solentlep.org.uk

Telephone: 02392 688 924

Local Growth Deal Annual Performance review: Pre-Meeting Report 2021

Data Protection

This report contains information that is personal data for the purposes of the Data Protection Act 1998 and The General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679) and in respect of which the LEP and its Accountable Body are obliged to supply the following information:

The personal data that you have provided will be used for the purpose of administering this project. It may be given to any relevant agency, internal or government department for this purpose and will not be disclosed to any other organisation for any other purpose other than in relation to cases of suspected fraud or where there is a statutory requirement for disclosure.

The Solent LEP would like to keep a record of your contact details and will send you further information, notify you of further opportunities and invite you to events organised by the Solent LEP. Your personal and business information will remain confidential and not be distributed to any third party organisation without your explicit consent. You can read the full details on our Privacy Statement at the following link to our website: <https://solentlep.org.uk/data-protection-privacy-notice/>

If you wish to be contacted by the Solent LEP for purposes other than this bid and including a regular email signposting other resources and funding to support businesses, please indicate this here by ticking the box:

Confidentiality

It is the intention of the Solent LEP to be as open and transparent as possible in administering public funding. As such, the Solent LEP will publish the details of all recipients of public funds. However, we are aware that certain information contained in your pre-meeting report will be commercial in nature. If there is any information provided in this report which should NOT be published, please state which question this relates to:

In addition, please provide a supporting statement on why these sections are confidential in the box below, and confirm that you are happy for us to share with the [LEP Board](#). They too are bound by our Data Protection rules.

I confirm that I/we are happy for you to share with the LEP Board .	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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Declaration

The below declaration is an essential part of the pre-meeting report and must be completed.

A	I declare that the information I provide in this form is, to the best of my knowledge, correct.	<input type="checkbox"/>
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B	I understand that answers may be used in response to Freedom of Information Act 2000 requests and these will be released pending further consultation with me.	<input type="checkbox"/>
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C	I understand that, my report may be made public with the exception of any information I have indicated above as commercial in confidence.	<input type="checkbox"/>
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Project Representative Name	
Project Representative Signature	
Date of submission	

A Project Overview

A1 Project Details and Organisation Information

a.	Full project title	<i>Delivery Team to complete</i>
b.	Project reference number	<i>Delivery Team to complete</i>
c.	Project business name	<i>Delivery Team to complete</i>
d.	Authorised representative	
e.	Project manager for project	
f.	Project manager position	

A2. Project update

a.	Provide a brief description of progress towards the project since the contract was signed (500 words) <i>You should describe the journey the project has been through, achievements, challenges and lessons learned.</i>

A3. Project finance update

a.	Contracted total project cost in £	<i>Delivery Team to complete</i>
b.	Contracted Solent LEP grant in £	<i>Delivery Team to complete</i>
c.	Contracted grant rate (%)	<i>Delivery Team to complete</i>
e.	Contracted match funds in £	<i>Delivery Team to complete</i>
f.	Actual match funds in £	
g.	Actual total project cost in £	

B Finance

B1 Give an overview of the finances relating to the project. (200 words)

*Is spend on track or have there been cost overruns?
Has the LEP grant been claimed as forecast?
Has full defrayal evidence been provided?*

C Delivery

C1 Give an overview of the project progress to date. (200 words)

*Are the outputs being achieved as forecast?
Has evidence been provided of these outputs?
Have there been any delays or other risks realised?*

D Reputation

D1 What has been done to publicise the project? (200 words)
Which audiences and stakeholders have been engaged?
Has the Solent LEP been credited appropriately?
Please provide links to any publicity and press coverage where possible.

E Evidence

E1 Have you attached any additional evidence to this report? Please tick all that apply.

- | | |
|------------------------|--------------------------|
| • Photographs | <input type="checkbox"/> |
| • Press coverage | <input type="checkbox"/> |
| • Other (please state) | <input type="checkbox"/> |

F Challenges, achievements and lessons learned

F1 What achievements have you enjoyed from your project? (200 words)
Have you exceeded your targets?
Have you won any awards?

F2 What challenges have you faced, and how have you overcome these? (200 words)
Have project partners changed?
Has your target audience not engaged as expected?

F3 What lessons have you learned? (200 words)
Would you have done anything differently?
Was this the right project to achieve the intended outcomes?

G Feedback

G1 What has been your experience of working with Solent LEP?

a.	Please rate your experience of the following categories on a score of 1 - 4, 1 being very good, to 4 being very poor (only complete this if you have not completed it in a previous APR):									
•	Awareness of Solent LEP funding and support	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	
•	Initial enquiry handling	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	
•	Communications and awareness of LEP processes	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	
•	Application forms and documentation	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	
•	Contracting	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	
•	Claims	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	
•	Monitoring including quarterly Delta returns	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	
b.	Are there any other comments you would like to give about your experience of working with Solent LEP? (200 words)									

DELIVERY	SCORE	FINANCES	SCORE	REPUTATION	SCORE
Major issues have caused significant delays (more than 3 months); processes have been interrupted or not carried out correctly (e.g. planning permission has not been secured); or significant changes have had to be made to the aims and scope of the project. Project likely to under deliver forecast project outputs.	5	A variance of over 10% against profiled financial forecast (total expenditure) or significant changes to project finances required (increases or decreases) due to poor or delayed delivery.	5	Challenges with project are undermining LEP credibility with public or key stakeholder. This negative reputation will continue longer term and be hard to recover from.	5
Issues have arisen causing longer delays to the timetable (3 months or more) but no significant changes required to overall project aims and scope. Correct processes are not yet developed. Outputs may still be deliverable but challenging.	4	A variance of between 7% & 10% against profiled financial forecast (total expenditure). Budget changes have been required due to issues with project delivery.	4	Significant damage to LEP credibility with public or key stakeholder for sustained period or at critical point.	4
Issues have arisen causing longer delays to the timetable (less than 3 months). Correct processes will be achieved but are not yet developed. Outputs deliverable but will require re-profiling.	3	A variance of between 5% & 7% against profiled financial forecast Some budget changes have been required.	3	Undermine LEP credibility with public or key stakeholder in short term.	3
Minor issues have arisen causing small delays. Correct processes are developed. Project is on track to deliver outputs.	2	A variance of between 2% & 5% Small re-profiling changes to budget required.	2	May lead to widespread criticism.	2
No significant problems arisen in previous quarter. Correct processes are in use. Project is on track to deliver outputs.	1	A variance of up to 2%. Spend is largely on track with any minor slippage expected to be picked up by end of next quarter.	1	May lead to minor external criticism.	1

Risk RAG Status and Scores

3	4 - 6	7 - 9	10 - 12
			13 - 15

Additional information to inform RAG status for FFPMG and Board

<p>Risk Level increased since last update to FFPMG / Board</p> <p>↑↑↑ (3+ points) ↑↑ (2 points) ↑ (1 point)</p>	<p>Risk Level not changed since last update to FFPMG / Board</p> <p>↔</p>	<p>Risk Level decreased since last update to FFPMG / Board</p> <p>↓↓↓ (3+ points) ↓↓ (2 points) ↓ (1 point)</p>	<p>Risk Level not previously reported to FFPMG / Board</p> <p>NEW</p>
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Risk scores and corrective actions

Score	Actions required
3	No concerns identified
	> Continue with regular monitoring activity as defined in funding agreement
4 - 6	Minor concerns
	> Conference call with project lead to discuss project status
	> Additional corrective actions identified and agreed as required
7 - 9	Some concerns - Escalate to FFPMG
	> Monthly call to monitor project status
	> Project lead to provide corrective action required to reduce risk with measurable objectives
	> Report provided to FFPMG and Project lead to attend FFPMG meeting if requested
	> If deemed appropriate, face-to-face meeting to discuss project issues
10 - 12	Significant concerns - Escalate to Main LEP Board
	> Face-to-face meeting including FFPMG Chair (or nominated representative) Accountable Body, PCC finance and legal to discuss project issues
	> Formal letter from Accountable Body and LEP (via FFPMG) setting out concerns and corrective action required
	> Report required from project lead setting out actions to be taken by when
	> Review of outputs to determine if they are still achievable
	> Projects with a score of 11 (and rising) - Deep dive/ gateway review initiated by LEP Board to identify the key issues which are presenting a high level of risk
	> Regular weekly calls until risk score drops to a minimum of 8
13 - 15	Major concerns - Immediate action required - Chair of LEP Board, LEP Chief Executive and S151 Officer of Accountable Body
	> Face to face meeting with LEP Executive and Chair and Accountable Body to discuss project issues
	> Formal weekly follow up conference calls until risk level is deemed acceptable (9 or under)
	> Formal letter from LEP Board and Accountable body setting out issues identified and corrective action required
	> Formal letter from Accountable Body if funding deemed at risk / funding agreement in breach
	> Mandatory attendance at Board to provide scheme update and actions taken
	> Report required from project lead responding to deep dive/gateway review * with action plan setting out actions to be taken by when
	> An updated Business Case may be required
	> Withholding of funding and / or funding claw back should be explored
	* Where deep dive has not yet been completed this will be actioned