

## LLEP BOARD OF DIRECTORS

3.00pm, TUESDAY 1 DECEMBER 2020



### MS Teams Call

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### AGENDA

TIME		ITEM	REPORT	DECISION / INFORMATION	LEAD
15:00	1.	Welcome and Apologies			Chair
	2.	Declarations of Interest			All
15.05	3.	Minutes and actions LLEP Board Meeting 6 October 2020	Paper A/A1	Decision	Chair
15.10	4.	Written Procedures - LLEP membership	Paper B	Information	Mandip Rai
15.15	5.	Investment Panel Recommendations	Paper C	Decision	Andy Reed Helen Miller
15.30	6.	Delivery Plan 2020/21	Paper D	Decision	Mandip Rai
15.40	7.	LLEP Company Accounts	Paper E	Decision	Chair
15.45	8.	Finance Report	Paper F	Information	Mandip Rai
15.55	9.	Governance Review	Paper G	Decision	Mandip Rai
16.10	10.	Economic Recovery Plan	Paper H	Decision	Fiona Baker
16.25	11.	Forward Plan	Paper I	Information	Mandip Rai
16.35	12.	Board Director Appointments	Paper J	Decision	Chair
16.40	13.	National Policy Update	Verbal	Information	CLGU
16.45	14.	AOB			



# Paper A



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**LLEP BOARD OF DIRECTORS**  
**Minutes of the Meeting – 6 October 2020**  
**(Microsoft Teams)**

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**Attendance and Apologies:**

<b>Directors</b>		<b>Representing</b>	
Kevin Harris	<b>KH</b>	Private Sector	Chair
Emma Anderson	<b>EA</b>	Private Sector	
Prof Robert Allison	<b>RA</b>	Universities	
Sonia Baigent	<b>SB</b>	Private Sector	
Chas Bishop	<b>CB</b>	Private Sector	
Verity Hancock	<b>VH</b>	Further Education	
Anne-Marie Hunt	<b>AH</b>	Private Sector	
Dr Nik Kotecha OBE	<b>NK</b>	Private Sector	
Ajmer Kaur Mahal	<b>AKM</b>	Private Sector	
Anil Majithia	<b>AM</b>	Private Sector	
Neil McGhee	<b>NM</b>	Private Sector	
Jaspal Singh Minhas	<b>JSM</b>	Private Sector	
Cllr Jonathan Morgan	<b>JM</b>	Leicestershire District Councils	
Andy Reed OBE	<b>AR</b>	Private Sector	
Cllr Terry Richardson	<b>TR</b>	Leicestershire District Councils	
Nick Rushton	<b>NR</b>	Leicestershire County Council	
Sir Peter Soulsby	<b>PS</b>	Leicester City Council	
<b>In Attendance</b>			
Fiona Baker	<b>FB</b>	LLEP	
Peter Chandler	<b>PC</b>	Leicester City Council	
Gavin Fletcher	<b>GF</b>	LLEP	
Alison Greenhill	<b>AG</b>	Leicester City Council – Accountable Body	
Helen Miller	<b>HM</b>	LLEP	
Mandip Rai	<b>MR</b>	LLEP	
Colin Sharpe	<b>CS</b>	Leicester City Council- Accountable Body	
Andrew Smith	<b>AS</b>	Leicester City Council	
Peter Sutton	<b>PSu</b>	Cities and Local Growth Unit (CLGU)	
Sue Tilley	<b>ST</b>	LLEP	

<b>Minute</b>		<b>Action</b>
<b>1.</b>	<b><u>Welcome and Apologies</u></b>	
1.1	KH welcomed all present to the meeting.	
1.2	There were no apologies for absence.	
<b>2.</b>	<b><u>Declarations of Interest</u></b>	
2.1	CB and VH Declared an Interest in Item 5 "Investment Panel", in regard to the recommendation to approve the Project Change Request at the National Space Centre.	
2.2	AM declared an interest in Item 5 "Investment Panel" relating to the discussion on the Innovation Board.	
<b>3.</b>	<b><u>Minutes and Actions – 4 August 2020</u></b> <b><u>Written Procedures – LGF Updates and Returns</u></b>	
3.1	The Minutes of the Meeting held on 4 August 2020 were agreed as a correct record.	
3.2	<u>Update – Haywood Estates (Minute 5 refers)</u> It was reported that a payment had been received and Haywood had agreed to the contract variation and conditions. MR confirmed that details could be shared.	
3.3	<u>Written Procedures - Result of Decision</u> The Democratic Support Officer submitted a report, which confirmed the outcome of a decision taken under Written Procedures as defined in the Local Assurance Framework. The decision was in relation to the LGF Updates and Returns.	
3.4	AGREED to: 1) Forward details of the revised Haywood contract conditions to Directors.  2) Note the LGF Updates and Returns, as a decision taken under written procedures.	<b>MR</b>
<b>4.</b>	<b><u>Gresham Development Progress.</u></b>	
4.1	PC presented details of the progress on the development at the former Fenwick department store on Market Street.	
4.2	It was noted that the project was an investment involving private investors and funding from the LLEP's Growing Places Fund for an aparthotel with workspace, retail space and would significantly add to the regeneration of the area.	
4.3	It was noted that an invite to view the construction process had been made, and details would be circulated.	
4.4	In discussing the content of the presentation slides, the likely types of businesses interested in the redevelopment were noted, together with the flexibility encouraged in the marketing to allow bespoke arrangements for business support programmes.	
4.5	In considering the issues arising from recent webinars the to offer workspace to a 'community of entrepreneurs' was welcomed.	

Minute		Action
4.6	In response to questions the total amount of floor space was confirmed over the 2 floors, and the design allowing some modular meeting rooms was explained.	ALL
4.7	It was considered that the redevelopment was an opportunity to promote economic recovery and prosperity in the current climate.	
	AGREED: To ask Directors to support the promotion of the ongoing project and arrange site visits as appropriate.	
The Chair indicated that items would be considered in the following order, as a change to the published agenda:		
5.	<b><u>Massachusetts Institute of Technology (MIT)</u></b> <b><u>Regional Entrepreneurial Acceleration Programme (REAP)</u></b>	
5.1	RA presented a report, which provided an update on the work of the MIT and the REAP initiative and to advise on the next steps	
5.2	It was reported that an update had been circulated by MR to Directors by email since the agenda pack was issued in respect of summary information. Also, an update on the Economic Recovery cell meeting held recently and ongoing consideration by IP and possible refresh of the Industrial Strategy to ensure links to Government policy.	
5.3	It was also noted that the REAP was progressing at the necessary pace and that Loughborough University had been nominated as a National partner for the MIT, with an opportunity in the spending review and .to roll out MIT nationally	
5.4	A video to explain the future process did not play and it was advised that this could be forwarded to Directors separately.	
5.5	It was accepted that the Terms of Reference of the Innovation Board would require further consideration and Directors were asked to confirm nominations for its membership, this would be also considered in the subsequent agenda item.	
5.6	MR commented on the support offered in the process by University colleagues and asked that this be recorded.	
5.7	AGREED to: 1) note the work to date of the MIT REAP Group; 2) note the appointment of Prof Bob Allison as LLEP Board Champion for Innovation and MIT REAP programme; 3) note the nominations of Dr Nik Kotecha, Andy Reed and Anil Majithia of the Innovation Board; 4) the recommendation for an Innovation Board to be established and the Terms of Reference to be prepared. Circulate the video to Directors separately.	

Minute		Action
<p><b>6.</b></p> <p>6.1</p> <p>6.2</p> <p>6.3</p> <p>6.4</p>	<p><b>Zero Carbon Plan.</b></p> <p>Gavin Fletcher (Nottingham City Council and LLEP) presented a report and shared slides to provide an update on the work of the Midlands Energy Hub in relation to the zero-carbon ambition.</p> <p>TR reminded the Board that not all Districts were in a position to develop climate change policies, which could affect priority on future investments.</p> <p>In terms of Champions, it was suggested that this be opened for nominations, rather than the proposal for a single appointment.</p> <p>AGREED to:</p> <ol style="list-style-type: none"> <li>1) note the work of the Midlands Energy Hub;</li> <li>2) note the early work creating zero carbon opportunities in the LLEP area;</li> <li>3) support the development of a broad LLEP action plan working towards the Zero Carbon agenda and propose actions in order to shape this into a final plan;</li> <li>4) support the actions to support the immediate local needs of the zero-carbon agenda across the LLEP area, including supporting the LLEP Covid-19 Economic Recovery Plan;</li> <li>5) invite nominations for Board champions for Zero Carbon, noting that NM and CB had requested their nominations.</li> </ol>	<p><b>ALL</b></p>
<p><b>7.</b></p> <p>7.1</p> <p>7.2</p> <p>7.3</p> <p>7.4</p> <p>7.5</p>	<p><b><u>Investment Panel / Economic Recovery Plan</u></b></p> <p>AR spoke to the submitted report, which provided an update following the inaugural Investment Panel (IP) meeting, and information was provided in respect of the following:</p> <ul style="list-style-type: none"> <li>• Chairperson (AR)</li> <li>• Terms of Reference, with recognition that amendments were sought</li> <li>• A Project Change Request (PCR) for the National Space Centre recommended, with recent updates being advised.</li> <li>• Economic Recovery Planning and Investment proposals</li> </ul> <p>It was noted from the appendices, which had included the Minutes of the inaugural meeting, that the IP had considered its role and ToR in a significant level of detail.</p> <p>In response to a question it was clarified that there was no financial ceiling of PCRs but that they would need approval by the Board of Directors and the level of funding was therefore not delegated to the IP.</p> <p>HM and FB shared Power Point slides on the ERP. The use of reserves was highlighted, and it was confirmed that the release of the allocation would be considered at in February 2021. .</p> <p>FB explained that there was a strong possibility that the publication of the National Economic Recovery Strategy and Devolution White paper would be delayed and that therefore the Economic Recovery Cell recommendation was to review the right time for the procurement of the of consultancy to develop the LLEP Economic Recovery Strategy, to avoid redundant work and ensure synergy with Government ambitions</p>	

<b>Minute</b>	<b>Action</b>
<p>7.6 AGREED to.</p> <ol style="list-style-type: none"> <li>1) note the content of the report and associated appendices;</li> <li>2) approve the recommendation from the Investment Panel for the Project Change Request for the National Space Centre;</li> <li>3) Consider the development of the LLEP Economic Recovery Strategy when the National Economic Recovery Strategy and Devolution White paper are published in the new year</li> <li>4) Endorse the indicative allocation of £1.6 m Growing Place funding to the areas identified by the Investment Panel and SAP and within the presentation to Board relating to extension of Kickstart, MIT Reap and Zero Carbon</li> </ol>	
<p><b>8. <u>Business Board Update</u></b></p> <p>8.1 NM as Chair of the Business Board submitted a report, which provided an update on the work of the Business Gateway Board.</p> <p>8.2 The report and update were noted.</p>	
<p><b>9. <u>Skills Advisory Panel (SAP) Update</u></b></p> <p>9.1 It was noted that there were currently no updates from the SAP.</p>	
<p><b>10. <u>National Policy Update</u></b></p> <p>10.1 PSu provided a verbal update, including:</p> <ul style="list-style-type: none"> <li>• Chancellor’s announcements on new job support schemes.</li> <li>• Covid Recovery Plan.</li> <li>• Mid- year review of the LLEP was positive with the implementation of key elements of the Governance such as the Investment Panel. PSu noted that other Governance was still to be finalised.</li> <li>• LGF projects continued to be monitored.</li> <li>• Minutes of Mid-year review – likely to be middle of October this would be circulated to Board members in due course.</li> </ul>	MR
<p><b>11. <u>Any Other Business</u></b></p> <p>11.1 <u>Director Recruitment</u></p> <p>11.2 MR advised that the deadline for applications had expired on 18 September 2020. There had been strong interests with four applicants to be interviewed by the Appointments Panel on 19 and 20 October 2020, with a view to recommending to the AGM in December.</p> <p>11.3 <u>AGM</u></p> <p>11.4 MR commented that as raised in the pre-Board briefing, ideas for items were sought for the AGM. It was noted that the issues concerning development of Scrutiny arrangements had previously been raised.</p>	ALL

<u>Minute</u>		<u>Action</u>
11.5	<u>SME Support</u>	KH/MR
11.6	JSM raised an issue with SME Support and in particular the textiles and entertainment sector.	
11.7	<u>Chairs and Chief Executive report</u>	
11.8	NM raised the issue of the Chair and Chief Executive report that would provide feedback where Chair, Chief Exec and other Board members are representing the LLEP. KH and MR agreed this was required.	



# Paper A1



## **LLEP BOARD OF DIRECTORS – 6 OCTOBER 2020**

(Microsoft Teams meeting)

3.00pm – 5.00pm

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### **SUMMARY OF ACTIONS**

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1.	<b>Welcome and Apologies</b>  No apologies for absence.
2.	<b>Declarations of Interest</b>  CB and VH Declared an Interest in Item 5 "Investment Panel", in regard to the recommended PCR at the NSC.
3.	<b>Minutes and Actions – LLEP Board – 4 August 2020</b> <b>Written Procedures</b>  Minutes confirmed as a correct record.  Written Procedures outcome (LGF Updates and Returns) noted as information item.  <u>Update on Actions:</u> Haywoods Estates – A payment of £250k has been received and Haywards have agreed to the contract variation and conditions that MR and AG determined following the last Board.  <b>AGREED:</b> That details and revised conditions be shared with Directors by MR.
4.	<b>Gresham Development Progress</b>  PowerPoint slides shared by PC.  Noted that an invite to view the construction process had been made, and details would be circulated. Likely types of businesses were noted, and flexibility encouraged in the marketing to allow bespoke arrangements for business support programmes. Looking at issues arising from the webinars to encourage a community of entrepreneurs. Total amount of floor space confirmed over 2 floors, and design with some modular meeting rooms welcomed. Seen as real opportunity for prosperity in the current climate.  <b>AGREED:</b> to ask Directors to support the promotion of the ongoing project and arrange site visits as appropriate;

5.	<p><b>Massachusetts Institute of Technology (MIT) Regional Entrepreneurial Acceleration Programme (REAP)</b></p> <p><i>Agreed to change the Agenda Item Order to set the context for following items (Investment Panel / EAP and Zero Carbon.</i></p> <p>RA presented the report to update on the work of the MIT and the REAP initiative and to advise on the next steps</p> <p>An update had been circulated to Directors by email since the agenda pack was issued in respect of summary information. Also, an update on the Economic Recovery cell meeting held recently and ongoing consideration by IP and possible refresh of the Industrial Strategy to ensure links to Government policy.</p> <p>Noted that the REAP was now going ahead at the correct pace/timeframe.</p> <p>Noted that the LLEP is nominated as National partner for the MIT, with an opportunity in the spending review and other forthcoming stages to develop a pilot project.</p> <p>Video to explain the future process did not play – HM to circulate separately.</p> <p>The Terms of Reference of the Innovation Board to be considered further and Directors were asked to confirm nominations for its membership, this would be also considered in next agenda item.</p> <p>MR thanks to university colleagues to be Minuted.</p> <p><b>AGREED:</b></p> <ul style="list-style-type: none"> <li>i) To note the work to date of the MIT REAP group</li> <li>ii) To note the appointment of Prof Bob Allison as LLEP Board Champion for Innovation and MIT REAP programme.</li> <li>iii) To note the recommendation for an Innovation Board, consider the Terms of Reference and invite Directors to confirm nominations for its membership.</li> <li>iv) approved the supplementary recommendation from the pre-Board briefing (as emailed by MR);</li> <li>v) Circulate the video to Directors separately</li> </ul> <p>Nik Kotecha, Andy Reed and Anil Majithia nominated themselves for the Innovation Board</p>
6.	<p><b>Zero Carbon Plan</b></p> <p>Gavin Fletcher (Nottingham City Council presented a report and shared slides to provide an update on the work of the Midlands Energy Hub in relation to the zero-carbon ambition.</p> <p>TR advised that he could not support the development of a broad action plan working</p>

	<p>towards the Zero Carbon agenda and the immediate local needs of the zero-carbon agenda including supporting the Covid-19 Economic Recovery Plan. He reminded the Board that not all Districts were in a position to develop climate change policies, which could affect priority on future investments.</p> <p>In terms of Champions, it was suggested that this be opened for nominations, rather than the proposal for a single appointment.</p> <p><b>AGREED</b> to:</p> <ul style="list-style-type: none"> <li>i) note the work of the Midlands Energy Hub;</li> <li>ii) note the early work creating zero carbon opportunities in the LLEP area;</li> <li>iii) support the development of a broad LLEP action plan working towards the Zero Carbon agenda and propose actions in order to shape this into a final plan;</li> <li>iv) support the actions to support the immediate local needs of the zero-carbon agenda across the LLEP area, including supporting the LLEP Covid-19 Economic Recovery Plan;</li> <li>v) invite nominations for Board champions for Zero Carbon.</li> </ul>
7.	<p><b>Investment Panel / Economic Recovery Plan</b></p> <p>Inaugural Investment Panel (IP) meeting held, and key updates were given on:</p> <ul style="list-style-type: none"> <li>• Chairperson (AR)</li> <li>• Terms of Reference, with recognition that amendments were sought</li> <li>• A Project Change Request (PCR) for the National Space Centre recommended, with recent updates being advised.</li> <li>• Economic Recovery Planning and Investment proposals</li> </ul> <p>Noted from the appendices, including the Minutes that the IP had considered its role and ToR in great detail.</p> <p>Noted in response to a question that there was no financial ceiling of PCRs but that they would need approval by the Board of Directors (not delegated to IP).</p> <p>An additional recommendation arising from the pre-Board briefing had been circulated and was approved.</p> <p>HM and FB shared Power Point slides on the ERP. Use of reserves was highlighted and the release of funding would be considered at the meeting to be held in February 2021, as recommended by the IP.</p> <p>FB explained that publication of the refresh of the national Industrial Strategy and Devolution White paper would be delayed and that therefore the Economic Recovery Cell recommendation was to delay the development of the LLEP Economic Recovery Strategy until the white paper publication, to avoid redundant work and ensure synergy with Government ambitions.</p>

	<p><b>AGREED</b> to.</p> <ul style="list-style-type: none"> <li>i) note the content of the report and associated appendices;</li> <li>ii) approve the recommendation from the Investment Panel for the Project Change Request for the National Space Centre;</li> <li>iii) Delay the development of the LLEP Economic Recovery Strategy until the refreshed National Industrial Strategy and Devolution White paper are published in the new year</li> <li>iv) Endorse the indicative allocation of £1.6 m funding to the areas identified by the Investment Panel and SAP and within the presentation to board relating to extension of Kickstart, MIT Reap and Zero Carbon</li> </ul>
8.	<p><b>Business Board Update</b></p> <p>Update noted from NM's report and associated appendix.</p>
9.	<p><b>Skills Advisory Panel (SAP) Update</b></p> <p>No update needed from VH.</p>
10.	<p><b>National Policy Update</b></p> <p>PSu provided a verbal update, including:</p> <ul style="list-style-type: none"> <li>• Chancellor announcements on new job support schemes.</li> <li>• Recovery plan.</li> <li>• Review positive with development of the IP noted.</li> <li>• LGF projects continued to be monitored.</li> <li>• Report of Mid-year review – likely to be middle of October.</li> </ul>
11.	<p><b>AOB</b></p> <p><u>Director Recruitment</u> MR advised deadline was 18 September. The Appointments Panel to meet on 19 and 20 October to interview 4 applicants, with a view to recommending to the AGM in December.</p> <p><u>AGM</u> As raised in the pre-Board briefing - Ideas for items were sought for the AGM. The issues concerning development of Scrutiny arrangements had been raised.</p> <p><u>SME Support</u> JSM raised an issue about the lack of SME Support through the business grants schemes and in particular the textiles and entertainment sectors.</p> <p><u>Chairs and Chief Executive report</u> NM raised the issue of the Chair and Chief Executive report that would provide feedback</p>

	where Chair, Chief Executive and other Board directors are representing the LLEP. KH agreed this was needed.
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# Paper B

PAPER B

LLEP BOARD OF DIRECTORS

1 DECEMBER 2020

Information Paper



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## RESULTS OF WRITTEN PROCEDURES LLEP MEMBERSHIP APPLICATIONS

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### 1. PURPOSE OF REPORT

- 1.1 To inform the Board of the results of written procedures to determine an item between meetings, in accordance with the Local Assurance Framework (LAF).

### 2. RECOMMENDATION

- 2.1 The Board is recommended to note the results of written procedures and the associated decision.

### 3. BACKGROUND INFORMATION

- 3.1 The Board were asked to formally approve requests to become members of the Leicester and Leicestershire Enterprise Partnership Ltd. Applications had been received from the following three organisations, two being from the Education Sector and one from a membership organisation:

- North Warwickshire and South Leicestershire College
- Loughborough College
- East Midlands Chamber (Derbyshire, Nottinghamshire, Leicestershire)

- 3.2 The Democratic Support Officer contacted all members of the Board by email on 27 October 2020 asking for votes within an agreed timeframe. Board members received relevant papers as an attachment to that email.

- 3.3 Board Members agreed to the recommendation to approve the requests for membership.

- 3.4 A table showing the distribution of votes can be found at Appendix 1.

#### **For further information please contact:**

Jason Tyler  
Democratic Support Officer  
Leicester City Council (Accountable Body to the LLEP)  
Tel. 0116 454 6359

## APPENDIX 1

### Written Procedures - Table of Responses

### LLEP Membership Applications

	VOTE
Kevin HARRIS	Approve
Emma ANDERSON	Approve
Chas BISHOP	Approve
Neil McGHEE	Approve
Verity HANCOCK	Approve
Anne Marie HUNT	Approve
Anil MAJITHIA	Approve
Jaspal Singh MINHAS	Approve
Andy REED	Approve
Jonathan MORGAN	Approve
<b>TOTAL:</b>	<b>10 - FOR 0 - AGAINST</b>



# Paper C

PAPER C



## LLEP BOARD OF DIRECTORS

1 DECEMBER 2020

### Decision Paper

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## INVESTMENT PANEL FEEDBACK AND RECOMMENDATIONS

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### 1. PURPOSE OF REPORT

1.1 The purpose of this report is to

- i. inform the LLEP board of the key outcomes of the meeting of the Investment Panel on 3<sup>rd</sup> November 2020; and
- ii. seek board approval of the recommendations of the Investment Panel.

### 2. RECOMMENDATION

2.1 The board is recommended to:

- i. Note the key outcomes of the meeting of the Investment Panel on 3<sup>rd</sup> November 2020;
- ii. In respect of the Historical Business Rates Enterprise Zone Investment – Charnwood Borough Council - Restocking the Business Base Proposal:
  - a. Note the comments of the panel
  - b. Note the responses to queries raised by the panel in Appendix 2
  - c. Approve the Historical Business Rates Enterprise Zone Investment – Charnwood Borough Council - Restocking the Business Base Proposal, with authority delegated to the LLEP Chief Executive to finalise due diligence but subject to the Accountable Body being satisfied that there are no issues concerning state aid.
- iii. In respect of the Historical Business Rates Enterprise Zone Investment – Hinckley and Bosworth MIRA EZ COVID proposal:

## PAPER C

- a. Note the panel's comments and agree for the proposal to be brought back to the Board once all outstanding issues have been satisfactorily resolved:
  - iv. In respect of the MIRA Low Carbon Innovation hub proposal:
    - a. Note the comments of the panel
    - b. Note the responses to queries raised by the panel in Appendix 3
    - c. Approve the MIRA Low Carbon Innovation hub, with authority delegated to the LLEP Chief Executive to finalise due diligence. (The board is asked to note that any forward funding for this project is subject to the signing of the business rates legal agreement between the LLEP, accountable body and the EZ rates billing authority, Hinckley and Bosworth Borough Council).
  - v. Note the comments of the panel and approve the Economic Recovery Investment - Repurposed Growing Places Fund proposal, with authority delegated to the Chief Executive Officer to finalise due diligence, but subject to the Accountable Body being satisfied that there are no issues concerning state aid.
- 2.2 The board is asked to give guidance to the Investment Panel in respect of risk tolerance and thresholds for external appraisal (see 3.2.1 and 3.2.5 below).

### 3. FEEDBACK FROM INVESTMENT PANEL

- 3.1 The second meeting of the LLEP Investment Panel took place on 3<sup>rd</sup> November and the notes from the meeting are attached in Appendix 1. All business cases relating to this Investment Panel meeting are available in the board members MS Team channel.
- 3.2 Key actions and discussion points from that meeting are highlighted below.
- 3.2.1 **Risk tolerance** - LLEP Investment Panel members seek guidance from the board on how robust and/or risk averse the Investment Panel should be in its recommendations regarding projects under consideration. The Investment Panel members consider there is a need to ensure that there is risk sharing on projects, with project promoters sharing risk with the LLEP, this being prudent use of public money.
- 3.2.2 **Historical Business Rates applications** – Two applications have been received from each of Charnwood Borough Council and Hinckley & Bosworth Borough Council. Both authorities' proposals are based on the use of the retained proportion of the historical business rates between 2017 and 2020, agreed as part of the negotiations with the billing authorities in relation to the business rates legal agreements.
- 3.2.3 **Rebuilding the Business Stock proposal from Charnwood Borough Council** Panel members supported the recommendation but raised a number of queries and points of clarification. The responses to these matters are outlined in Appendix 2. **The board is recommended to consider the responses in Appendix 2 and approve the**

**application for investment. Note this will not be returning to the panel for consideration and the board is therefore asked to consider the issues raised by the panel in full.**

3.2.4 **Hinckley and Bosworth Council (MIRA EZ Covid Support)** - The Investment Panel supported the recommendation that the applicant should continue to develop the business case for this project, particularly to address the current weak links between the interventions and outputs; and clarification on state aid in relation to the business grants. The Panel was advised that value for money assessments could not be undertaken until this information was provided. **At the time of writing, responses to the issues raised by the panel and state aid issues are yet to be resolved and there is no recommendation to the board. The project will need to be re-presented to a future Investment Panel and board meeting for consideration and approval.**

3.2.5 **Thresholds for external appraisal** - It was noted by the panel members that some projects are assessed externally, and others have been appraised internally by the LLEP team. A general question was raised as to what the board consider to be an appropriate threshold for triggering the use of external analysts to undertake project appraisals. A suggestion of £1m was considered a reasonable and proportionate trigger.

3.2.6 **MIRA Low Carbon Innovation Hub** - Panel members supported the recommendation and raised a number of queries and points of clarifications. The responses to these matters are outlined in Appendix 3. The Accountable Body has considered the case provided for state aid and is satisfied with the case and exemption proposed. **The board is recommended to consider the responses in Appendix 3 and approve the application for investment. Note this will not be returning to the panel for consideration and the board is therefore asked to consider the issues raised by the panel.** The board is asked to note that any forward funding for this project is subject to the signing of the business rates legal agreement between the LLEP, accountable body and the EZ rates billing authority, Hinckley and Bosworth Borough Council. The board is also asked to note that funding is still contingent on securing local authority investors to provide the forward funding for the project in anticipation of future rates being realised.

3.2.7 **COVID Recovery Investment proposals** – Panel members were reminded that up to £1.6million of the Growing Places Fund (GPF) was available for economic recovery investment in response to the Covid-19 pandemic. Themes for this investment had been agreed at the meeting of the board held on 6 October 2020 and the following investment proposals had been developed thus far:

- Employment and Skills fund
  - Digital Poverty - £90k
  - NEET Support - £100k
- Business Grants £300k
- SME Kickstart support £500k
- MIT REAP seed corn delivery £100k

### ➤ Low Carbon delivery £100k

Business cases for the areas identified were being developed, but the criteria for funding could still be redrawn. However, as the funding available for economic recovery investment is comparatively small, it would be useful if themes and categories were not too restrictive. Panel members agreed to the recommendation to support the proposals for circa £1.2m of funding subject to:

- Funding for Business Grant investment be reserved for businesses that have not received any previous financial support in response to the Covid-19 pandemic;
- The wording of the paragraph in the "Preparing for zero carbon" element of the Economic Recovery Plan on whether intervention will be targeted be amended to remove reference to the two specific projects, to allow flexibility in future activity.

3.3 **The board is recommended to approve the areas for Covid recovery investment as outlined above** and to note that there are a number of national developments which are emerging which may affect the board's decision on these investments including (but not restricted to) additional grants to businesses that board may wish to take into account. The board is also advised that a number of proposals are still being developed and will be presented to the board at its meeting.

## 4.0 Programme Monitoring

4.1 Panel members were provided with the current Quarter 2 position and return for the Local Growth Fund (LGF). Panel members noted the position and approved the return.

4.2 The update presentation regarding other programmes of investment was postponed. Whilst the meeting remained quorate, due to the number of members of the Panel who had to leave the meeting it was agreed that a future date and time to review the final agenda item would be arranged. This meeting took place on 19<sup>th</sup> November therefore the minutes are not ready for circulation with the board papers. The key areas of discussion are summarised below.

- **Programme level monitoring information** - this needs further development and adaption to meet the the need and expectations of the Panel members. The members are keen to strike the balance of having sufficient information and being able to have a deep dive into the relevant areas without creating unnecessary work. It was acknowledged that there is currently a different level of information provided on the Local Growth Fund compared with other programmes.
- **Queries on the areas of investment and delivery services** - detailed queries on different areas of the programmes and services were considered best dealt with by inviting the relevant lead LLEP officer to attend investment panel meetings as appropriate. It was agreed that the chair of the Investment panel would consider this with the Head of Programmes to agree a timetable.
- **Responses on Investment Panel queries** - it was agreed by the Panel members that the chair of the Investment Panel be delegated to approve responses to any

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minor queries/points of clarification that had been raised regarding investment proposals. The chair would engage other panel members in any major queries and or where there was any uncertainty about the response.

- **Attendance of project sponsors at future meetings** - in order to minimise queries and to expedite the decisions of the Investment Panel it was suggested that in the future project sponsors should be invited to attend Investment Panel meetings. The Investment panel agreed to this suggestion.

### Summary of Appendices

1. Minutes of LLEP Investment Panel – 3<sup>rd</sup> November 2020
2. Rebuilding the Business Stock – Investment Panel queries and responses
3. MIRA Low Carbon Innovation Hub – Investment Panel queries and responses

### For further information please contact

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**NB: In line with our Local Assurance Framework (LAF) these minutes are published as a draft record until formal ratification at the subsequent meeting.**



## **LLEP INVESTMENT PANEL**

### **Minutes of the Meeting**

**3 November 2020**

#### **Attendance and Apologies:**

<b>Members</b>		<b>Representing</b>	
Andy Reed OBE	<b>AR</b>	LLEP Board of Directors	Chair
Emma Anderson	<b>EA</b>	LLEP Board of Directors	
Sonia Baigent	<b>SB</b>	LLEP Board of Directors	
Ajmer Kaur Mahal	<b>AKM</b>	LLEP Board of Directors	
Dr Nik Kotecha OBE	<b>NK</b>	LLEP Board of Directors	
Neil McGhee	<b>NM</b>	LLEP Board of Directors	
Cllr Terry Richardson	<b>TR</b>	LLEP Board of Directors	
<b>Officers</b>			
Fiona Baker	<b>FB</b>	LLEP	
Cathy Martin	<b>CM</b>	LLEP	
Stuart McAvoy	<b>SM</b>	Leicester City Council – Accountable Body	
Helen Miller	<b>HM</b>	LLEP	
Mark Noble	<b>MN</b>	Leicester City Council – Accountable Body	
Mandip Rai	<b>MR</b>	LLEP Chief Executive	
<b>Advisors</b>			
Jaqueline Moody	<b>JM</b>	Cities and Local Growth Unit (CLGU)	
Peter Sutton	<b>PS</b>	Cities and Local Growth Unit (CLGU)	
<b>Also present</b>			
David Hankin	<b>DH</b>	Charnwood Borough Council	(for item 4.3)
Gavin Fletcher	<b>GF</b>	Nottingham City Council	(for item 5)
Stephen Meynell	<b>SMe</b>	Hinckley & Bosworth Borough Council	(for item 4.4)

**Minute****Action**

<b>1.</b>	<b>Welcome and Apologies</b>	
1.1	AR welcomed those present to the meeting.	
1.2	There were no apologies for absence.	
<b>2.</b>	<b>Declarations of Interest</b>	
2.1	NM and NK each declared an interest in item 4, "Historical Business Rates Enterprise Zone investment – Charnwood Borough Council – Restocking the Business Base", as members of Loughborough Town Board.	
2.2	AR also declared an interest in item 4, "Historical Business Rates Enterprise Zone investment – Charnwood Borough Council – Restocking the Business Base", as a Non-Executive Director of Incus Performance, which was based at The Attic, at the LUSEP site.	
<b>3.</b>	<b>Minutes and Actions of the Previous Meeting</b>	
3.1	MR gave an update on progress with the actions agreed at the meeting of the Panel held on 8 September 2020.	
3.2	Further to paragraph 4.5(a), "Terms of Reference", and paragraph 7.13 of minute 7, "Project Change Request – National Space Centre: Vision 2025", it was suggested that it would be useful for the Panel to receive guidance from the Board of Directors on how risk averse the Panel's assessment of investments should be. Risk sharing was important, as the LLEP should not be expected to take on the whole risk of projects being supported with public funds.	
3.3	Further to minute 6, "Dates of Panel Meetings 2020 – 2021", it was noted that the Board of Directors would be discussing the LLEP Forward Plan at its meeting on 1 December 2020. The dates of meetings for this Panel therefore would be reviewed when the Plan had been agreed. (See also minute 8, "Dates of Panel Meetings 2021", below.)	
3.4	The Panel recognised that its scheduled meetings currently did not fit well with some deadlines for other work but suggested that the use of written procedures to take decisions should be avoided if possible, to enable full discussion on the matter(s) being considered to be held. If necessary, a special meeting of the Panel could be called to consider urgent matters.	
3.5	It was AGREED that:	
	1. Guidance be sought from the Board of Directors on how robust and/or risk averse this Panel should be in its recommendations regarding projects under consideration;	<b>HM/MR</b>



**Minute****Action**

	2. The Board of Directors be recommended to seek risk sharing on projects, with project promoters sharing risk with the LLEP, this being prudent use of public money;	<b>HM/MR</b>
	3. The use of written procedures for decision-making by this Panel be avoided where possible, with special meetings of the Panel being called instead as appropriate; and	<b>HM/MR</b>
	4. The Minutes of the meeting of the LLEP Investment Panel held on 8 September 2020 be confirmed as a correct record.	<b>All to note</b>
<b>4.</b>	<b>Historical Business Rates Enterprise Zone investment</b>	
4.1	MR reported that, during the negotiation with the Billing Authorities on the legal agreement, a discussion had been held about the use of the historical business rates to aid Covid-19 recovery work, with both billing authorities wishing to retain 50% of the 85% of the LLEP allocated rate element. This was taken to the Board of Directors and once agreed both billing authorities were invited to apply for this funding.	
4.2	Leicester City Council also had been invited to apply, but as no historical business rates existed in relation to the Waterside development, no business case had been submitted.	
4.3	<u>Charnwood Borough Council – Restocking the Business Base</u>	
4.3.1	The position regarding state aid remained to be clarified. A written response on this had been received from the Accountable Body's lawyer, but it had not been possible to assess this yet or discuss it with the applicant.	
4.3.2	Slightly less funding was available than anticipated, so Charnwood Borough Council would have to reduce the cost of its proposal by reframing the project.	
4.3.3	It was queried whether Charnwood Borough Council would be giving priority to certain types of applications for funding and suggested that the Council could be encouraged to consider the fit of the proposed programme with both existing and new and emerging sectors. DH advised that participants would firstly be sought from people being made redundant from jobs in the Enterprise Zone and then from a wider area. The number of potential redundancies as a result of the current Covid-19 pandemic was not known yet, but this project would enable a structure to be in place to capture the talent pool if it became available.	
4.3.4	In response to a question from the Panel about how this project would be promoted across the LLEP area, DH advised that a marketing strategy was being developed.	

**Minute****Action**

4.3.5	HM also advised that the LLEP Executive already had recommended that uptake of the offer be monitored to ensure that the target market was being reached and that non-graduates were not being unintentionally excluded. The Council also had been advised that the LLEP would like to see some commitment to the medium-term scenario in relation to jobs generation as part of the overall outcomes. DH confirmed that the admission criteria were very broad but could be re-examined to ensure that no-one was being excluded.	
4.3.6	Panel members also suggested that it would be beneficial for participants if part of the course being offered by Charnwood Borough Council could focus on the management of risk as a key skill.	
4.3.7	The Panel further suggested that some learners from the course could be asked to make presentations to this Panel on what they had learned and how their businesses were developing as a result. This could contribute to evaluation of the programme on completion, with consideration given to how successes could be used to inform future projects.	
4.3.8	Lessons learned from the project also would be an important part of its evaluation and future consideration of whether the project could, or should, be replicated.	
4.3.9	The importance of course participants becoming part of the local business network was stressed, it being noted that improved co-ordination of start-up businesses was part of the general Covid recovery work being planned, to ensure that they continued to receive support as they developed.	
4.3.10	Some concern was raised that provision should be made to replace any businesses that failed while participating in the project. DH explained that it was anticipated that, as people would join the programme in cohorts, any vacancies within a cohort could be filled as needed and, if necessary, newly joined participants would complete the course with the cohort following theirs.	
4.3.11	In response to a question about the cost of office space, HM explained that, as the University had higher overheads, the cost of office space at LUSEP could look higher than for other locations. However, the costs for this project were in line with usual costs.	
4.3.12	It was recognised that using university facilities could be intimidating for some people. However, the Council was in the process of acquiring premises in the town centre through the Town Deal programme for use for this project, which it was hoped would be less intimidating.	
4.3.13	DH reported that some of the support received from partners in this project would be "in kind". For example, Charnwood Borough Council would be supporting the project through the provision of the premises referred to	

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	above.	
4.3.14	On behalf of the Panel, AR thanked DH for attending the meeting.	
4.3.15	It was AGREED that:	
	1. Analysis of the recently received response on state aid from the Accountable Body's lawyer be included in the next report on this proposal; and	HM
	2. The Board of Directors be recommended to approve investment in this programme, subject to satisfactory information being received regarding state aid compliance, close monitoring of the offer by Charnwood Borough Council and delivery partner, and the matters discussed above.	HM
4.4	<u>Hinckley and Bosworth Council – MIRA EZ</u>	
4.4.1	It was noted that Hinckley and Bosworth Borough Council had not yet signed the agreement for the MIRA Enterprise Zone. The Panel was assured that no funding would be passed to the project sponsors until all contracts and agreements were in place.	
4.4.2	HM confirmed that work would continue on developing the business case for this project, particularly in relation to causal links between interventions and jobs and the position in relation to state aid and business grants. Value for money assessments could not be undertaken until this information was available.	
4.4.3	SME advised the Panel that the number of projects had reduced from 14 to nine, some having been combined with others and some having been removed from the programme. Discussions with various partners on the remaining projects were continuing in order to address the current gaps in the business case.	
4.4.4	Although the Panel recognised that the three main themes of careers, skills and employment and business support in the form of a "soft landing" project underpinned the programme, it was suggested that further work was needed to clarify what the desired outcomes from this programme were and how the projects within it were related. This in turn would clarify what the LLEP was being asked to fund. However, the Panel welcomed the potential for the scheme to be complementary to that proposed by Charnwood Borough Council in minute 4.3 above.	
4.4.5	On behalf of the Panel, AR thanked SME for attending the meeting.	
4.4.6	It was AGREED that:	

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	1. Progress with the development of the MIRA Enterprise Zone be noted and welcomed; and	<b>HM</b>
	2. In principle support be given to the areas of intervention identified for the MIRA Enterprise Zone, but that further work is needed on the submission before it can be recommended to the Board of Directors for approval.	
<b>5.</b>	<b>EZ investment pipeline - MIRA Low Carbon Innovation Hub</b>	
5.1	HM reminded the Panel that this project had been developed late in the summer of 2020 from work with the MIRA Steering Group, as a number of occupants of MIRA premises wished to use low carbon facilities. It also would help MIRA attract a new type of occupant.	
5.2	There were ambitions for the development of other sites in the region, such as the former power station at Ratcliffe, or the HS2 development in Toton, but they did not have options for the development of low carbon and/or hydrogen models. The proposal for the MIRA Low Carbon Hub was part of a medium – longer term ambition to join up different capabilities across the area.	
5.3	Information on state aid was awaited from the applicant but was expected shortly. When received, the Accountable Body's lawyer would assess it.	
5.4	The Panel questioned how it was decided to use external appraisers for projects such as this. Decisions on whether to seek external appraisal currently were taken on the basis of the cost of doing so in relation to the cost of the scheme being appraised, but the Board of Directors could be asked to consider setting formal criteria for the use of external assessment of schemes above a certain value.	
5.5	The Panel requested information on how close MIRA was to signing heads of terms with the tenant. The appraisal report indicated that this was to be undertaken shortly, but no timescale was included.	
5.6	Some concern was expressed by the Panel that MIRA had been late filing its most recent accounts and some indication of the reasons for this was requested.	
5.7	HM advised that monitoring arrangements for the funding were not yet agreed, as no contracts were in place for any Enterprise Zone investments. However, it was anticipated that reports on these investments would be made quarterly for each project, in line with other programme monitoring and reporting on the general development within the Enterprise Zones.	
5.8	In response to a question from EA, HM advised that there were not usually financial security issues with any grants made by the LLEP, as investments	

**Minute****Action**

	were made in projects that would provide a business rates uplift. MN advised that any financial risk from a project rested with the investing authority and this was set out in the legal agreements for each project. The host authority had the first opportunity to fund a project and if this was not taken the project was offered to other authorities for funding.	
5.9	In this case, it was unlikely that confirmation that it would underwrite this project would be received from Hinckley and Bosworth Borough Council before the meeting of the Board of Directors on 1 December 2020. This Panel therefore was asked to consider giving in principle approval.	
5.10	On behalf of the Panel, AR thanked GF for attending the meeting.	
5.11	It was AGREED that:	
	1. The Board of Directors to be asked to consider setting criteria for triggering the use of external analysts to undertake project appraisals;	HM
	2. HORIBA MIRA be asked to address the issues outlined above regarding signing the heads of terms with the tenant and the delay in filing its most recent accounts; and	HM
	3. The Board of Directors be recommended to support this project in principle, with final approval to be considered when satisfactory information has been received regarding state aid compliance, business rates projections and the issues set out in 2. above.	HM
	<i>NK left the meeting at this point</i>	
<b>6.</b>	<b>Economic Recovery Investment</b>	
6.1	MR reminded the Panel that £1.6million of the Growing Places Fund was available for economic recovery investment in response to the Covid-19 pandemic. Themes for this investment had been suggested at the meeting of the Board of Directors held on 6 October 2020, (minute 7, "Investment Panel / Economic Recovery Plan", referred).	
6.2	Business cases for the areas identified were being developed, but the criteria for funding could still be redrawn. However, the grants available for economic recovery investment were comparatively small, so it would be useful if themes and categories were not too restrictive.	
6.3	The Panel suggested that business grants should be reserved for businesses that had not received any previous financial support in response to the Covid-19 pandemic. These businesses often were important to local economies, including helping provide NEET support, but were finding it hard to find support under government schemes.	

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6.4	The Panel stressed the need to ensure that rural schemes were included in the funding, as well as those that were urban based, as a lot of the county was rural. This could be important if funding for rural schemes was not available from elsewhere.	
6.5	It was suggested that a focus could be given to Looked After Children under the NEET theme, but FB advised that it was felt that this was not necessary, as partners such as schools, headteachers and social services would be aware of which young people were most likely to be NEET and so could best target this work. However, it was noted that the Kickstart enhancement could be delayed by the current "lockdown" restrictions in response to the Covid-19 pandemic.	
6.6	Clarification was sought of the support requested for the MIT/REAP scheme, as different figures appeared to be included in the business case. HM confirmed that the total investment applied for was £100,000.	
6.7	The Panel noted that the paragraph in the "Preparing for zero carbon" element of the Economic Recovery Plan on whether intervention would be targeted referred to two specific projects. The Panel suggested that this reference be removed, to allow flexibility in the future for this funding.	
6.8	It was AGREED that:	
	1. Funding for Business Grant investment be reserved for businesses that have not received any previous financial support in response to the Covid-19 pandemic;	<b>HM/FB</b>
	2. The wording of the paragraph in the "Preparing for zero carbon" element of the Economic Recovery Plan on whether intervention will be targeted be amended to remove reference to the two specific projects, to allow flexibility in future activity; and	<b>HM/FB</b>
	3. NM liaise with HM on possible typographical errors in the business plans.	<b>NM</b>
	<i>SB, AKM and TR left the meeting at this point</i>	
<b>7.</b>	<b>Programme Monitoring</b>	
7.1	<u>Local Growth Fund Update Q2 2020/21</u>	
7.1.1	CM introduced the report, noting that the current positive position for the LGF.	
7.1.2	CM reminded the Panel that a Project Change Request for the National Space Centre: Vision 2025 had been supported at the last meeting of the Panel, (minute 7, "Project Change Request – National Space Centre: Vision	

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	2025", 8 September 2020 referred), and agreed by the Board of Directors, (minute 7, "Investment Panel / Economic Recovery Plan", 6 October 2020 referred).	
7.1.3	It was noted that some delays had been experienced with the Leicester Strategic Flood Risk Management project, but assurances had been received that the approved funding would be spent.	
7.1.4	Attention was drawn to the RAG rating for each project. From this, it was noted that the Leicester Strategic Flood Risk Management and the National Space Centre: Vision 2025 projects had been rated as Amber/Green for Quarter 2, due to the short time available in which to claim their remaining funding. The former was considered to be the project most at risk of slippage, as the work was being undertaken on the flood plain, so was at risk from adverse weather conditions.	
7.1.5	Some concern was expressed that the deliverable quantities of housing and jobs in relation to the M1/J23 and A512 Improvements appeared to be low. CM advised that there had been a delay in signing the contract for this work, but a lot of what would be delivered through this project would be infrastructure.	
7.1.6	The Panel noted that some bodies made repeat requests for funding and suggested that their previous performance on projects should to be taken in to consideration when assessing new applications for support.	
7.1.7	It was AGREED that applicants' previous performance on projects be taken in to consideration when assessing new applications for support from the Local Growth Fund.	<b>CM</b>
7.2	<u>Enterprise Zone</u>	
7.2.1	Deferred for consideration at the adjourned meeting (see item 9 below)	
7.3	<u>Growth Hub</u>	
7.3.1	Deferred for consideration at the adjourned meeting (see item 9 below)	
7.4	<u>Enterprise Advisor Network</u>	
7.4.1	Deferred for consideration at the adjourned meeting (see item 9 below)	
7.5	<u>GPF</u>	
7.5.1	Deferred for consideration at the adjourned meeting (see item 9 below)	
7.6	<u>General</u>	
7.6.1	It was AGREED that consideration of how much information should be	<b>HM/CM</b>

**Minute****Action**

	provided for monitoring purposes, and in how much detail, be deferred to the adjourned meeting (see item 9 below).	
<b>8.</b>	<b>Dates of Panel Meetings 2021</b>	
	It was AGREED that dates of Panel meetings in 2021 be reviewed when the Board of Directors has agreed the LLEP Forward Plan. (See also minute 3.3, "Minutes and Actions of the previous Meeting", above.)	<b>HM/Democratic Support</b>
<b>9.</b>	<b>Adjournment of Meeting</b>	
	Although the meeting remained quorate, due to the number of members of the Panel who had had to leave the meeting, the meeting adjourned at 5.49 pm. A future date and time to review the final agenda items is to be agreed.	<b>All to note HM/Democratic Support</b>



## RESTOCKING THE BUSINESS BASE – INVESTMENT PANEL QUERIES AND RESPONSES

- **Recruitment** – the panel welcomed the intention to recruit across the entire LLEP area but queried how that would be achieved – there was some support for the view that some highly skilled individuals will not have an academic background.

***Response:** To confirm, recruitment will be formed of a series of direct activities in Loughborough and Charnwood (delivered through the two Stream locations and virtually) and communicated more widely working closely with partners such as the Growth Hub, DWP, EZ structures and other local providers. Project partner agrees it is important to recognise some prospective participants will not have an academic background. LU Inc.'s team has experience working with this group and the Town Centre space offers the opportunity to welcome those who may have preconceptions about visiting LUSEP. Many skilled experienced professionals from the area may not have an academic background but will have worked with the local HEIs and other professional service providers.*

- **Curriculum** – it was recommended that the course should embrace risk management in the development of entrepreneurial skill sets as experience suggested that risk was an ever present and key element in managing a successful business. That seemed to me to be useful contribution which might usefully sit within the “basics” under Bloc 1.

***Response:** Agree that this would enhance the programme. Project sponsor will incorporate risk management into the curriculum either as a standalone session or embedded into our existing workshop plan.*

- **Infill** – concerns were expressed that new participants should be drafted in to replace any failures – it was suggested that the modular structure of the programme could lend itself to “step on step off” in order to fill any wastage in order to maximise the success of the programme and ensure value for money as part of the monitoring process.

***Response:** Project sponsor agrees that this would provide flexibility to maximise the value of the project. Project partners have experience delivering workshop programmes which, combined, deliver a scaffolded curriculum for learners, but which are also useful ‘standalone’ themed workshops. Therefore, it is entirely feasible for someone to onboard part way through the programme (replacing someone who has dropped out) and then ‘catch-up’ by attending sessions delivered on subsequent cohorts.*

- Can the university justify the increased office costs and staff costs for year 3?

***Response:** The costs are not higher for year 3, this is rather a function of how the financial years map onto the cohorts. In terms of the cost of space, this has been calculated at LUSEP as a standard monthly rate for 24 months running March 21 to Feb 23. Likewise, the cost of space in the Town Centre has been calculated at a standard*

*monthly rate for 18 months running Sept 21 to Feb 23. There is a difference in the nature of the facilities. The LUSEP facility is a fully furnished, managed workspace with adjoining facilities, the Town Centre facility is expected to be a standard unfurnished and un-serviced office space. The financials outlined in the proposal represent the whole scheme costs and this proposal is not reliant on Town Deal funding, though it is complementary to those plans.*

*For absolute clarity on figures:*

- **Stream A Programme Leader** – *Staff costs have been calculated using a standard tool the University uses which considers projected, estimated inflation and salary increments. So, whilst 21/22 and 22/23 staff costs both cover a 12 month period, the costs for 22/23 are projected to be slightly higher than those of the preceding year, 21/22.*
- **Stream B Programme Leader** – *Here there is also a difference between staff costs for 21/22 and 22/23. This difference is largely due to staff costs being for 10 months during 21/22, and for 12 months during 22/23. The costs have also been calculated using the tool referred to above, to account for projected, estimated inflation and increments.*
- **Stream A Office Space (LUSEP)** – *As discussed, we identified a minor discrepancy here. Total costs are correct, but for this item the distribution by financial year has not been updated to account for a later project start date. So, 20/21 includes 3 months' worth of office space cost, whilst it should only state the costs for 1 month (starting March 21) with the remaining 2 months being added onto 22/23.*
- **Stream A Office Space (LUSEP)** – *To clarify the reason for differences in office space costs per year across 20/21, 21/22 and 22/23; we have calculated the monthly cost of office space, then determined when office space will be required according to our schedule of delivery, then used this to calculate the costs per financial year. So for delivery of Stream A at LUSEP we expect to require office space for 1 month during 20/21, 12 months during 21/22 and 11 months during 22/23.*

*Finally, to confirm all the calculations are based on the Council financial year, April to March (not the University financial year which is August to July)*

- *Is there any consideration been given to the fit with sectors and encouraging new and emerging sectors?*

**Response:** *The project will primarily be seeking to recruit early stage entrepreneurs and emerging start-ups working on ideas which are aligned to those sectors of strategic importance identified through the Government Industrial Strategy, the developing LLEP Wave 2 Local Industrial Strategy and the MIT REAP programme. However, entrepreneurs working on ideas which meet the other criteria for the programme but which do not fall within these priority areas will still be invited to participate, because we consider that exclusively focusing on strategic priority sectors will unnecessarily restrict us from working with promising entrepreneurs / start-ups who have the potential to build successful businesses.*

- The Investment panel would like to have presentations from live examples of new businesses at future meetings

**Response:** *Project partners would welcome this opportunity. A further suggestion might be for the Investment Panel / LLEP to hold meetings, from time to time, at the various facilities across the region which host and support start-up businesses. This would seem to be an excellent networking opportunity.*

- Evaluation – how will the success be evaluated and if this is a good model how can we expand this

**Response:** *Success measures will form the basis of the contract put in place with the delivery agent and CBC. This contract will set out performance targets and funding dependent upon the successful achieving of milestones throughout the project. If the delivery model proves successful the nature of the programme, which comprises modular Streams and Cohorts, lends itself well toward scaling up and with the potential that future programmes might have particular focus sectors.*

- The LLEP exec has already recommended uptake of the offer is monitored and we would like to see some commitment to the medium scenario in relation to jobs generation as part of the overall outcomes.

**Response:** *As above and it has been noted that the University is required to submit an annual return during November to the Government (through Higher Education Funding Council for England (HEFCE)) which provides data on start-ups it has worked with including trading status, turnover, number of employees and level of external investment secured. It is anticipated that this data capture exercise can be applied to also capture ongoing performance for programme participants, including during the Project and beyond for a period of up to 2 years.*

- State Aid – The State aid case has been submitted for testing and the determination of the Accountable Body legal team is still awaited.



## **HORIBA MIRA – LOW CARBON INNOVATION HUB – PANEL QUERIES AND RESPONSES**

- **Head of Terms** - HORIBA MIRA was asked to address the issue regarding signing the heads of terms with the tenant which had been outstanding for a while.

**Response:** *The anchor tenant is not signed as yet but we are assisting them in their expansion and anticipate them being in place on a conditional basis pre-Christmas. Timing of discussions are inevitably impacted by the recent lockdown, but the general progress is positive.*

- **Submission of Accounts** - Panel queried why there was a delay in filing its most recent accounts.

**Response:** *Horiba Mira Ltd the main engineering company's next accounts are due by 31 Dec 2020 as per the Government's deferral of submission for every company. So, whilst the accounts have been signed completed our accountants Grant Thornton have advised there is no need to submit to Companies House until the end of the year.*

- **Business rates projections and State aid**

**Response:** *State Aid – The Accountable Body has reviewed the case for exemption offered*

*by the project sponsor. The Accountable Body agree with Eversheds Sutherland that Article 26 –Investment aid for Research infrastructure – of the General Block Exemption Regulation is the appropriate exemption to look to. The funding sought is capped at 50% of the overall anticipated costs of the project. This is the appropriate aid intensity for Article 26. Aid therefore needs to be **no more** than 50% of the eligible costs - and so if the costs change during the life of the project, so might the aid need to. If costs increase, then the aid intensity will of course reduce and there is no concern.*



# Paper D

PAPER D

LLEP BOARD OF DIRECTORS

1 DECEMBER 2020



## Decision Paper

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### DRAFT DELIVERY PLAN 2020/21

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#### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek the LLEP Board's approval of the LLEP Delivery Plan 2020/21.

#### 2. RECOMMENDATION

- 2.1 The LLEP Board is recommended to approve the Draft Delivery Plan.

#### 3. BACKGROUND INFORMATION

- 3.1 The Board will recall that as part of the LEP review we are required to publish an Annual Delivery Plan. The Delivery Plan for 2020/21 has been delayed because of the CV-19 pandemic with our focus being diverted towards preparing an Economic Recovery Plan. The government also extended the deadline for LEP delivery plans to be submitted in draft and then agreed by LEP boards and published.
- 3.2 The draft Delivery Plan for 2020/21 attached as appendix 1 this year was submitted to Cities and Local Growth Unit (CLGU) on 21 August. The final Delivery Plan must be signed-off by the LEP Board and published by 31 December 2020. Work will start shortly to prepare the delivery plan for 2021/22.

#### Summary of appendices

1. Appendix 1 – Draft Delivery Plan 2020/21

#### For further information please contact

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# Delivery Plan 2020-21



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## Foreword

I am delighted to present the Leicester & Leicestershire Enterprise Partnership's (LLEP's) Delivery Plan for 2020/21 which sets out our priorities for this year. The COVID-19 pandemic has created a challenge on a scale that our economy has not seen in our lifetimes. Many businesses have had to close, or witness demand for their products or services collapse.

This allows us to think about how we drive our economic recovery and the Economic Recovery Plan and Strategy is a key priority this year. This needs to be a jobs-focused recovery. We have engaged extensively with businesses over the past few months and have discussed ideas and views on economic recovery with many organisations.

Over the past 12 months the LLEP, working with its partners, has achieved significant success in boosting our economy. We have again achieved the full spend of our Local Growth Fund (LGF) Programme. The LGF has enabled us to support a total of 20 projects with the £126m funding programme. We will also deliver our Getting Building Fund programme of £20m which will support four key projects to deliver enabling infrastructure to create jobs and unlock employment and housing sites.

We also managed the local authorities pooled business rates to support projects to invest nearly £24m. We continued to support the delivery of our two enterprise zones; Loughborough and Leicester Science and Innovation Enterprise Zone and MIRA Technology Park and we have agreed significant forward funding to support the delivery of the enterprise zones.

The Growth Hub has played a leading role in supporting businesses through the pandemic and gathering intelligence and the additional resources provided will mean that the service can be enhanced this year. Our Enterprise Adviser Network programme has been recognised as a national exemplar and continues to strengthen links between schools, colleges and businesses.

This year will be a critical year for the LLEP as we continue to manage our major funding programmes and prepare our Economic Recovery Strategy. Our key priorities this year will be:

- Delivery of the LGF, GPF, Business Rates Pool, Getting Building Fund and ESIF programmes
- Develop our Economic Recovery Strategy
- Delivery of the MIRA Technology Park and Loughborough and Leicester Science and Innovation Enterprise Zones
- Deliver our Business Gateway and Enterprise Advisor Network projects

I would like to thank all our partners for supporting our achievements in 2019/20 and I very much look forward to working with you to help us successfully deliver our plan for 2020/21.



***Mandip Rai, LLEP Chief Executive Officer***

## 1. About the LLEP

The Leicester & Leicestershire Enterprise Partnership (LLEP) brings together the public, private and voluntary sectors that have an interest in and ability to drive economic growth in Leicester and Leicestershire. The LLEP is a company limited by guarantee with a board of 18 directors from the private, public, higher and further education and voluntary and community sectors.

The LLEP is an incorporated company with Leicester City Council as its Accountable Body. The Council holds resources on behalf of the partnership and employs the LLEP staff

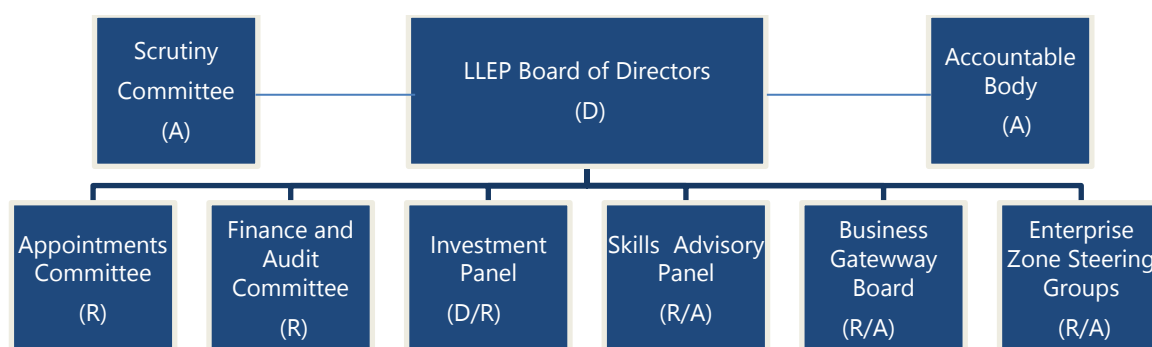
### 1.1 The role of the LLEP

The LLEP's role is to lead the development and implementation of a Strategic Economic Plan (SEP) for Leicester and Leicestershire. The LLEP's core functions are:

- **Engagement** – to engage local and national stakeholders in the development and implementation of the area's economic strategy
- **Influence** – to influence national and local government and partners to align policy and resources to deliver the vision and objectives in the SEP
- **Funding Programme Delivery** – to effectively invest LLEP funds and achieve value for money and maximum impact on economic growth.

### 1.2 Governance and Decision Making

The LLEP governance structure currently consists of interfacing strategic and operational groups all of which inform and influence our decision making.



Key: D=decision; R=recommendation; A = Advisory

#### Strategic

**LLEP Board:** Provides strategic leadership, oversight, challenge and develops and reviews the Strategic Economic Plan (SEP)

**Skills Advisory Panel and Business Boards:** Advise the Board of strategic priorities

**Enterprise Zone Steering Groups:** Advise the Board of strategic priorities for the delivery of the LLEP's two Enterprise Zones

**Business Gateway Board:** Advises the Board on the strategic priorities of the Growth hub and the business support provision

#### *Operational*

**Investment Panel:** manages the LLEP's funding programmes and the Local Assurance Framework (LAF)

**Appointment Committee:** Manages the recruitment, induction, succession planning and training of board members, as well as the performance management of the Chief Executive Officer on behalf of the board.

#### *Local Assurance Framework*

The LLEP local assurance framework sets out how the LLEP Chief Executive Officer and LLEP representatives will attend regular meetings, including local authority **scrutiny committees**.

Leicester City Council, as the **Accountable Body**, exercises scrutiny of the LLEP in order to satisfy itself of the robustness and appropriateness of decisions prior to their implementation.

## 2. Strategic Vision and Objectives

The LLEP's strategic vision and objectives are set out in our current [Strategic Economic Plan \(SEP\) 2014-2020](#). The LLEP's current vision in the SEP is:

***'To create a vibrant, attractive and distinctive place with highly skilled people making Leicester and Leicestershire the destination of choice for successful businesses'***

The LLEP's objectives in our current SEP are to:

- Invest in infrastructure to unlock key development sites and improve connectivity
- Provide effective support for SMEs and to accelerate growth of our priority sectors
- Ensure that local people are equipped with the relevant skills that businesses need

Prior to the onset of the Covid-19 pandemic in March 2020, the LLEP was at the point of submitting a draft Local Industrial Strategy (LIS) to government. The LIS is a high-level document identifying the key long-term priorities for the LLEP area to increase productivity, and is divided into five foundations:

- Ideas
- Business
- People
- Infrastructure
- Place

The Leicester and Leicestershire local authorities and LLEP have developed a long-term (up to 2050) [Strategic Growth Plan](#) (SGP) for the LLEP area. The relationship between SGP and LIS is critical. The SGP will set out the long-term vision for Leicester and Leicestershire and provide a spatial framework for the LIS.

As a consequence of the onset of Covid-19, submission of a LIS has been postponed by government. The LLEP was a key member of Leicester, Leicestershire and Rutland Local Resilience Forum and tasked with developing an Economic Recovery Strategy. The diagram below shows the process and indicative timescales. An Economic Recovery Strategy incorporating key objectives from the LIS which will contribute to long term economic recovery will be completed by March 2021 or earlier.

### 3. Performance Management

#### 3.1 Reporting Framework

Being able to measure economic impact and value for money are key elements for managing the LLEP's performance. The LLEP will use a performance framework as a means to secure coherent performance management. The framework will be further developed alongside our LIS and bring together a suite of indicators including macro-economic data to help the LLEP monitor local economic conditions to inform future commissioning priorities and manage current programme performance.

Performance reporting to the LLEP board and Programme board is a key element in effective governance. The main body providing over-sight to the existing LLEP Programmes is the Programme Board. The performance reporting model is based on four core principles:

- **Developing the Performance Framework** – ensuring the appropriateness of performance information in board reports is linked to the LLEP's strategic objectives.
- **Reporting Performance Information** - ensuring the quality of data and information in board reports and the way it is presented provides insight to inform decisions.
- **Using the Framework** - board members are able to make decisions based on economic impact and value for money information based on information proportionate to the investment activities considered.
- **Integration of financial and performance information** - ensuring information on resources is presented alongside outputs to enable an analysis of costs and outcomes.

#### 3.2 Levels of Performance Reporting

It is important to recognise the two levels of performance reporting. Firstly, at a macro level. The LLEP Board will receive information about how the economy is performing. This will assist the Board to set its strategic objectives, agree the outcomes it wishes to achieve and make informed investment decisions. In the current economic climate, Business and Economic Intelligence Updates will be made available to the LLEP Board on a regular basis. Metrics include claimant count, Coronavirus Job Retention Scheme Update, Self-Employment Support Scheme uptake, business closures and incorporations in addition to other indicators which are only available on quarterly or annual basis such as the Experian Regional Economic Forecast data.

Secondly, at a programme level – this level of performance will be reported quarterly to the Programme Board and will provide information on the performance of the funding programmes that the LLEP directly controls including the Local Growth Fund



(LGF), Growing Places Fund (GPF), Business Gateway, Enterprise Zones and Enterprise Adviser Network (EAN) programme.

Key Performance Indicator	Achieved Date	to 2019/20 Target
<b>Area of site reclaimed, (re)developed or assembled (ha)</b>	3.40	66.00
<b>Commercial floor space constructed (m<sup>2</sup>)</b>	281,547	6117
<b>Floor space Developed (m<sup>2</sup>)</b>	304,007	73,897
<b>Houses built</b>	1,535	652
<b>Jobs Created</b>	3,582	1596
<b>Length of Footway Improved (km)</b>	0.14	0.5
<b>Length of new cycle ways (km)</b>	33.6	2.3
<b>Length of newly built roads (km)</b>	0.44	0.10
<b>Length of resurfaced roads (km)</b>	4.11	0.50
<b>New Learners</b>	2,889	2,769

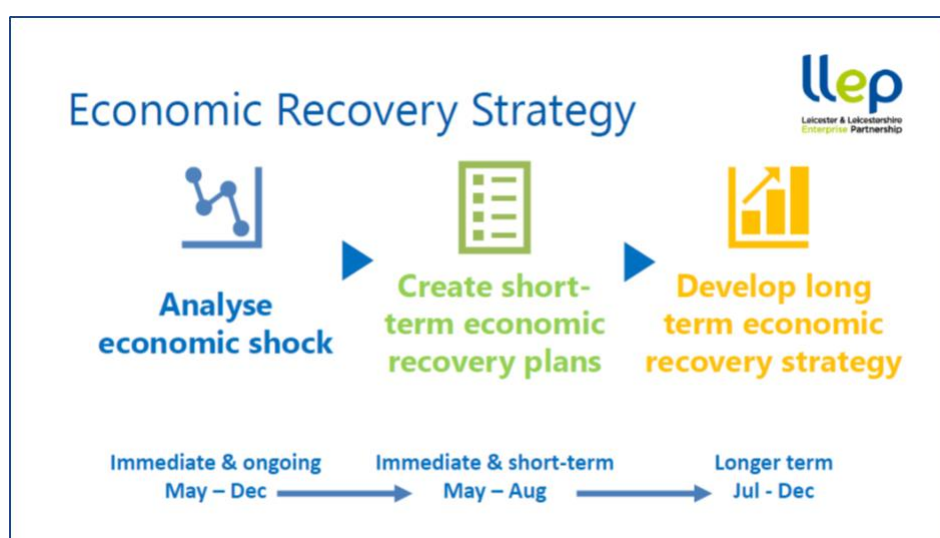
#### 4. Priorities for 2020/21

The onset of the Covid-19 pandemic in March of this year will have a major impact on the LLEP's activities this year and the LLEP will play a critical role through the delivery of our major funding programmes, development of our COVID recovery plan, supporting the delivery of the two Enterprise Zones, committing our remaining ESIF allocation, and delivering and expanding both our Business Gateway Growth Hub and Enterprise Adviser Network projects. We will actively support the implementation of the Midlands Engine Vision for Growth and national Industrial Strategy and continue to develop strong relationships with local and national stakeholders and partners.

#### 4.1 Strategy Development and Implementation

##### *Economic Recovery Strategy*

In March 2020 the LLEP had finalised the content of the **Local Industrial Strategy**, a high level strategic economic document defining the long-term economic aims for Leicester and Leicestershire, in readiness for submission to Government. The advent of Covid-19 and the subsequent immediate and predicted negative impact on the local economy (including significant shifts in the LIS Evidence Base) meant that the submission of the LIS was postponed. In conjunction with partners, the LLEP is currently developing a shorter-term Economic Recovery Plan, allied to the five LIS Foundations: People, Business, Ideas, Infrastructure and Place. In tandem with this we will develop an **Economic Recovery Strategy for 2020-2030** which incorporates both medium term recovery interventions with the longer-term LIS objectives, considering emerging priorities including Green Recovery and the impact of Brexit.



It is anticipated that that the new Economic Recovery Strategy will help provide an overview and understanding of:

- the impact of the Covid-19 recession on the Leicester and Leicestershire economy and its place within regional, national and global economies;

- the impact of Brexit following the transitional arrangements;
- the economic vision and objectives for Leicester and Leicestershire over the next five to ten years;
- the investment priorities, projects and interventions that will deliver economic recovery and growth and
- identification of those industries and sectors seen as fundamental to the growth and resurgence of the local economy.

Development of the strategy will be achieved through partnership working with other strategic bodies, most notably the Strategic Growth Partnership and Strategic Recovery Coordinating Group, part of the LLR Resilience Forum established to respond to the Covid-19 major incident.

### *Local Skills Plan*

The LLEP established its Skills Advisory Panel in 2019 to support the development of the People Foundation of the LIS and provide a leadership role on skills in the LLEP area. In early 2020 we published the local [Skills Evidence Base Summary](#). This year we will further refresh this evidence, considering the impact of Covid-19 and we will publish our **Local Skills Plan** by 31<sup>st</sup> March 2021.

### *Freeport Consultation*

LLEP and D2N2 LEP will work in tandem with businesses and local authorities to prepare a joint response to the government consultation on Freeports on behalf of the East Midlands region.

UK Freeports could offer a unique opportunity to encourage inward investment and create high value jobs in the LLEP area through a combination of financial incentives, customs benefits and a simplified planning process. The benefits of a freeport to Leicestershire could be enormous, with up to 40,000 new jobs created as infrastructure projects get underway and businesses are attracted to the region. The LLEP aims to create a centre for innovation, where ideas are tested and assessed before being deployed across the country. These may include low carbon infrastructure projects, as the UK aims to achieve its goal of net zero emissions.

The LLEP is determined to ensure that the world-class logistics infrastructure that can already be found in Leicestershire is at the centre of the government's thinking as it puts its plans for UK Freeports into action.

### *Green Recovery*

We will identify and harness emerging growth opportunities from the shift to net zero carbon emissions, ensuring that green recovery is embedded into all aspects of our strategic planning, including employment and skills. As a priority the LLEP will prioritise the acceleration of progress towards the eight objectives identified within

the [Energy Infrastructure Strategy](#) in addition to identifying additional opportunities as part of our recovery planning.

### *Economic Analysis*

The unprecedented speed and scale of changes to the economic landscape, and continued economic volatility means that the requirement for evidence to support future strategies is now more than ever of critical importance. In order to ensure that the most up to date economic analysis is available to inform stakeholders, partners and the LLEP Planning Process we will take the following actions:

- Work in partnership with others to develop the **Leicester Shire Rutland Statics and Research** portal as a single access point for public domain economic data.
- Produce a regular **Business and Economic Intelligence Update** for stakeholders.
- Establish an **Economic Analysis Group** comprised of key local stakeholders who are also undertaking local economic analysis, e.g. Universities, East Midlands Chamber, Local Authorities. The group will map current activity in order to avoid duplication
- Commission and publish **additional research** including
  - Natural Capital Evidence Base Review
  - Sector Analysis
  - Tracker Business Survey
  - Completed biennial Leicester and Leicestershire Business Survey
- Develop and distribute a range of **local Labour Market tools** for use by young people, adults, employers, parents and schools which reflect our changing labour market.

## **4.2 Funding**

### *Project Pipeline*

Our [Project Pipeline](#) provides a single-entry point for all organisations seeking funding support from the LLEP for economic development projects. To register an interest, applicants can complete and submit a simple, two-page online Expression of Interest form at any time, supported by a standard Logic Chain that explores and demonstrates the rationale for the proposal.



To maintain an up-to-date pipeline of project proposals, we will continue to review our project pipeline once a quarter. We will assess any Expressions of Interest submitted to us against our strategic priorities and identify whether suitable funding route exists to support them. Should a funding stream be identified, we will invite appropriate proposals to complete and submit a full business case for

appraisal and due diligence. The business case and due diligence report will then be considered by the Investment Panel. Major transport projects in excess of £5m would need to be approved by the Local Transport Body (LTB) who would recommend to the Programme Board projects that they want to progress.

#### *European Structural and Investment Funds*

Under our ERDF Programme, we released a series of successful funding calls between 2015-19 resulting in £58,751,920 worth of activities being delivered. This investment has seen 5,109 businesses being supported, including over 1,000 business grants being awarded, 865 sq. metres of office space created and a further £12.6m of private sector investment secured.

We currently have several outstanding applications being appraised by the ERDF Managing Authority from our final call which closed in September 2019. Timescales for completion and contracting have yet to be confirmed.

To date £50,180,726 ESF has been allocated towards supporting 30,572 people to improve their skills, support them back into employment or bring them nearer to the labour market. One project remains in appraisal under IP-1.3 (Youth Employment Initiative) .

As with the ERDF Programme, the ESF Managing Authority has halted any further ESF Funding Calls under the ESF National Reserve Fund unless they can clearly demonstrate impact on the UK's economic recovery coming out of the lockdown. We will explore potential opportunities to identify any opportunities for matching these funds to address the impact of Covid-19 on employment and skills.

#### *UK Shared Prosperity Fund*

The Government announced that EU funding will be replaced by the UK Shared Prosperity Fund (UKSPF), it is now expected that the design of the UKSPF will be considered as part of the Comprehensive Spending Review due to take place in the Autumn. We await further guidance on the role that LEPs will play in the commissioning of these funds.

#### *Midlands Engine Funding*

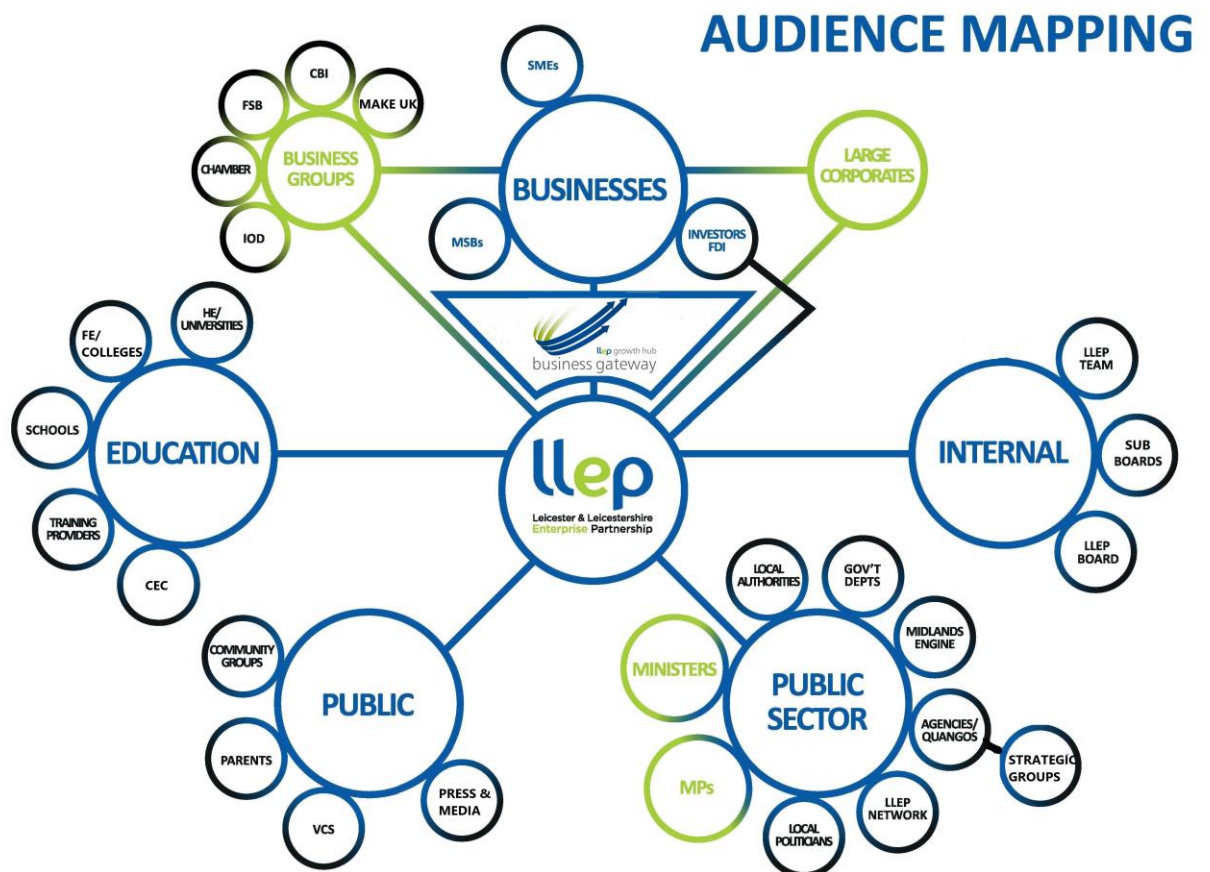
The Midlands Engine is a coalition of councils, Combined Authorities, LEPs, universities and businesses actively working with government to build a collective identity and present the Midlands as a competitive and attractive region for investors. To support growth within the region, the Midlands Engine currently offers two main sources of support. These are the Midlands Engine Strategy Priority Development Fund (SPDF), which provides funding to help kick-start strategic priority projects for development and initial delivery by providing seed funding, and

the Midlands Engine Investment Fund (MEIF), which provides a range of financial support to help SMEs secure the funding they need for growth and development.

To support local organisations and businesses access support from the Midlands Engine, we will help to promote both the SPDF and MEIF to potential applicants and encourage and support them to access these two important regional funding streams.

#### 4.3 Engagement and Communications

Stakeholder and partner engagement are critical to delivering the ambitions of the LLEP. The wide range of partners and stakeholders engaged by the LLEP is represented below:



The LLEP will deliver key messages through a range of media channels including newsletters, events, short films, and social media platforms including Twitter, LinkedIn and YouTube.

In 2020-21 the LLEP will commission the design and implementation of a new LLEP website, reflecting the requirements of our audience, and improving visitor access to key information.

#### 4.4 Programme Delivery

##### *Local Growth Fund (LGF) Programme*

One of our key priorities for 2020/21 is to deliver our final year's LGF Programme allocation of £17.9m. From the 20 funded LGF Projects, a total of 14 projects have completed their funding with 7 of them having moved into the evaluation stage; all projects are still subject to regular monitoring. Work will continue to fund the projects listed below in 2020/21

<b>Project Name</b>	<b>2020/21 Allocation £m</b>
<b>Developing Commercial Workspace - Pioneer Park</b>	2,065,507.52
<b>Leicester North West Major Transport Scheme (A50 / A6)</b>	1,949,709.63
<b>Leicester Strategic Flood Risk Management</b>	2,022,833.77
<b>M1 J23 and A512 Improvements</b>	7,351,697.65
<b>National Space Centre: Vision 2025</b>	654,766.89
<b>Space Park Leicester</b>	3,852,201.45

Regular monitoring will continue to focus on project progress, spend and risks and capturing project outcomes and impacts to demonstrate progress towards the programme objectives. The key benefits from the programme that we expect to be delivered in 2019/20 are listed below.

<b>Key Performance Indicator</b>	<b>Actual Achieved to Date</b>	<b>Target for 2020/21</b>
<b>Jobs created</b>	1402	944
<b>Houses built</b>	1664	805
<b>Area of site reclaimed, (re)developed or assembled (ha)</b>	3.75	14.5
<b>Commercial floor space constructed (m<sup>2</sup>)</b>	281,019	6,127
<b>New Learners</b>	8649	2840
<b>Length of Footway Improved (km)</b>	3.14	10.82
<b>Length of newly built roads (km)</b>	0.44	0.85
<b>Length of resurfaced roads (km)</b>	5.11	2.11



### *Getting Building Fund*

The LLEP was awarded £20 m out of the Getting Building Fund for projects that will deliver and accelerate growth over the short and medium terms. The following projects have been supported and the LLEP will work with the project sponsors to see these projects begin delivery this financial year the figures are subject to contract.

<b>Project Name</b>	<b>Indicative 2020/21 Allocation £m</b>
<b>St Margaret's Regeneration Gateway</b>	3.5
<b>Sports Park Pavilion 4</b>	0.5
<b>J23 M1 A512 Access Improvements</b>	1.8
<b>Charles St Transport hub</b>	0.4

### *Enterprise Zones*

We will continue to support the development and delivery of MIRA Technology Park Enterprise Zone and the Loughborough and Leicester Science and Innovation Enterprise Zone. There is a strong pipeline of investment projects for the two Enterprise Zones. Working closely with our public sector partners we will facilitate investment into the sites to drive forward their development and undertake activities to support the marketing and inward investment programmes of the sites.

In addition we will work with partners to strengthen the capture of performance data to monitor the impact of our interventions and highlight opportunities for further activities to facilitate the continued development of the EZs.

<b>Key Performance Indicator</b>	<b>Actual achieved to date (last year)</b>	<b>Actual achieved to date (2019/20)</b>	<b>Target for 2019/20</b>	<b>Target for 2020/21</b>
<b>Floor space Developed (m<sup>2</sup>)</b>	16,849	22,346	33,890	29,630
<b>Floor space Refurbished (m<sup>2</sup>)</b>	22,578	18,760	11,550	10,525
<b>Jobs Created</b>	655	547	716	616
<b>New Business onsite</b>	27	2	36	30

### *Growing Places Fund (GPF) Programme*

Growing Places Fund (GPF) is a revolving loan scheme for infrastructure projects which are currently stalled, or for development proposals which can be accelerated with an injection of a short-term loans. To date we have awarded 11 loans totalling £17.5m and through successfully managing the repayments we are able to offer loans of up to £6.9m in 2020.



Key Performance Indicator	Actual achieved to date	Target for 2020/21
<b>Jobs Created</b>	1,650	0
<b>New Homes Built</b>	371	0
<b>Commercial Floor space</b>	12,012m <sup>2</sup>	5,091 m <sup>2</sup>

#### *Business Rates Pool Programme*

In 2015 the nine local authorities in Leicester and Leicestershire agreed to form a business rates pool would allow the local area to retain the growth in business rates across the LLEP area. This created funding, administered by the LLEP, to support the delivery of priority projects and functions to deliver against the priorities of the prevailing economic strategy; driving productivity and growth of the Leicester and Leicestershire economy.

The 2015/16 rates pool funding of £2m supported 26 projects from a variety of organisations, addressing the demand for development /feasibility and operational revenue projects. This delivered a wide variety of outputs and leveraged over £4.74m of investment from other sources both local and national.

The 2016/17 business rates pool funding is £4.4m. Following the recent approval process some £3.3m of local authority led projects has been approved to support 22 projects levering in £18.3m; this leaves an uncommitted balance which will be added to the next allocation round.

In January 2020 following recommendations involving the LLEP and the BRP Officer Group, the BRP Board agreed that £24.4m should be allocated as follows:

- i. Large capital, totalling £17.39m;
- ii. Small capital programme totalling £5,90 m
- iii. Revenue Programme totalling £1.13m

The LLEP administers this fund on behalf of the Business Rates Pool and will continue to support project sponsors in delivery.

Key Performance Indicator	Actual achieved to date	Forecast 2020/21
<b>Number of enterprises receiving non-financial support</b>	759	120
<b>Number of New Businesses Created</b>	119	0
<b>Jobs created</b>	66	14
<b>Area of site reclaimed, (re)developed or assembled (ha)</b>	0	0
<b>Commercial floor space constructed Gross (m<sup>2</sup>)</b>	2,153	0
<b>Feasibility and Enablement</b>	9	3

### *Business Gateway*

We will continue to build on our strong network of business support providers to coordinate and simplify access to the local business support landscape for SMEs in Leicester and Leicestershire. We will work with partners to deliver the substantial new ERDF programme which expands both the partnership for delivery and the offer available to the businesses within the LLEP area. The ERDF project provides for additional resources which is levered in from Leicester City Council, Leicestershire County Council and East Midlands Chamber. Additional funding from BEIS will be utilised to provide sectoral one to one support and provide an improved capacity to deliver innovation solutions and start up support.

It is recognised that in order to meet the LEP's economic development impacts and the support needs of the local business community that the Growth Hub must have sufficient and effective resource.

Over the five years that the growth hub has been operating we have developed a deep understanding of the stratified needs of Leicestershire businesses, enabling us to undertake pro-active targeting of support to those businesses that would most benefit from it. We will continue to work hard to develop our brand and increase our profile and market penetration so that more businesses can benefit from the different types of support that is available to them. To further improve our service to business we will also be launching a new Business Gateway website.

Key Performance Indicator	Achieved to date	Target 2020 / 21
<b>Business penetration</b>	6497	8500
<b>High intensity support</b>	1299	1450
<b>Overall Customer satisfaction rate</b>	95%	96%

### *Careers Hub and Enterprise Adviser Network (EAN)*

The Enterprise Adviser Network (EAN), bridges the gap between education and employers by pairing individual Enterprise Advisers (senior post holders from business) with a school or college to help build a strategic employer engagement plan. This is critical to enabling secondary schools and colleges to meet the 8 Gatsby Benchmarks for good careers guidance, with an emphasis on encounters with the workplace and encounters with employers. The Careers Hub sits within the EAN and is a cluster of 20 schools working together to develop new approaches for wider dissemination and accelerate progress towards the benchmarks. Progress against the Gatsby Benchmarks is measured using the Compass tool. At the end of the 2019/20 academic year 98.6% of institutions in the EAN completed Compass. We know that offering effective careers guidance will be critical to reducing the chances

of them becoming NEET or unemployed as a result of the impact of the Covid-19 pandemic.

The EAN programme will continue to react to the needs of schools and colleges through support from the EAN team to leverage the use of virtual encounters with employers, provide labour market information that reflects the local landscape for skills and employment and a menu of continuing professional development for Careers Leaders and Practitioners.

EAN and Careers Hub Key Performance Indicators September 2020 – August 2021<sup>1</sup>

Key Performance Indicator		EAN Careers Hub		
	Fully achieved to date	Target 2020/21	Fully achieved to date	Target 2020/21
<b>Benchmark 1</b> A stable careers programme	24%	n/a	35%	95%
<b>Benchmark 5</b> Encounters with employers and employees	55%	70%	65%	80%
<b>Benchmark 6</b> Experiences of workplaces including partial achievement	49% Full 49% Partial	60% Full 40% Partial	50% Full 50% Partial	70% Full 30% Partial
<b>Average total benchmarks achieved</b>	3.2	n/a	3.9	6.0
<b>Number of schools or colleges in the EAN matched to an EA at least once</b>	74%	85%	100%	100%
<b>EAN schools and colleges upgrading to Compass+</b>	44.4%	60%	47%	90%

Key Performance Indicator		Achieved to date	Target 2020/21
<b>At least 85 schools and colleges signed up to the EAN</b>		72	85
<b>EA satisfaction</b>		87%	70% or higher
<b>School and college satisfaction</b>		86%	70% or higher

These targets are agreed with the Careers and Enterprise Company who co-fund the EAN and Careers Hub programme with the LLEP.

<sup>1</sup> KPIs agreed as part of Grant Letter Agreement with CEC are set for the Academic Year, and not for the financial year.



## 5. Financial Plan

The LLEP has been working closely with the Accountable Body to establish the core financial parameters on which to fund LLEP operations. This has involved reviewing the strategic and operational budget of the LLEP and bringing the LLEP more in line with City Council financial reporting systems. The LLEP Budget for 2020-21 is set out below.

LLEP Budget 2020/21	£000s
<b>Income<sup>2</sup></b>	
Grants	575
Local Authority Contributions	250
National and Local Programme Income	1,226
Fees, interest and other income	512
<b>Total Income</b>	<b>2,563</b>
<b>Expenditure<sup>3</sup></b>	
Staffing	1,036
Running costs	368
Accountable Body costs	185
Programme Delivery	1,185
<b>Total Expenditure</b>	<b>2,774</b>

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### <sup>2</sup> Income

Grants consists of LLEP Core funding and additional funds to cover the Skills Advisory Panel.

National and Local Programme income is made up of funding relating to Careers and Enterprise Company, Enterprise Zone, European Structural and Investment Funds for Technical Assistance and Business Gateway.

Fees, Interest and other income consists of interest gained on LLEP monies held by the accountable body and 2.5% management charge on programmes such as Local Growth Fund and Business Rates Pool.

### <sup>3</sup> Expenditure

Staffing consists of non-project LLEP staff and those who are matched part-time on projects.

Accountable Body costs are those costs incurred for use of services including legal, finance HR, accommodation and democratic support.

Programme delivery relates to costs incurred for the staff and operating costs of all LLEP programmes e.g. Business Rates Pool, Careers and Enterprise Company, Enterprise Zone, European Structural and Investment Funds for Technical Assistance and Business Gateway



**European Union**  
European Structural  
and Investment Funds

**To receive news and information about LLEP programmes and activities please subscribe at [llep.org.uk/newsletter](http://llep.org.uk/newsletter)**

**If you require further information on anything within this report, please email [admin@llep.org.uk](mailto:admin@llep.org.uk)**



# Paper E

## PAPER E

### LLEP BOARD OF DIRECTORS

1 DECEMBER 2020



### Decision Paper

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## LEICESTER AND LEICESTERSHIRE ENTERPRISE PARTNERSHIP LTD COMPANY ACCOUNTS

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### 1. PURPOSE OF REPORT

1.1 The purpose of this report is to:

- i. Seek board agreement to align Leicester and Leicestershire Enterprise Partnership Ltd (LLEP Ltd) accounting reference date to the government's financial year dates; and
- ii. to review and approve the submission of Leicester and Leicestershire Enterprise Partnership Ltd. Company accounts.

### 2. RECOMMENDATION

2.1 The LLEP Board is recommended to:

- i. Approve the request to Companies House to change the Accounting Reference Date to run from 1<sup>st</sup> April to 31<sup>st</sup> March; and
- ii. If the above is approved, to formally approve the first financial year accounts for submission to Companies House.

### 3. BACKGROUND INFORMATION

- 3.1 Following the Strengthening LEPs policy paper and the recommendation that all LEPs become incorporated Bodies the members Leicester and Leicestershire Enterprise Partnership incorporated as a private company limited by guarantee without share capital on 8<sup>th</sup> of April 2019.
- 3.2 Financial years are determined by reference to an accounting reference period that ends on a specified date known as the Accounting Reference Date (ARD). LLEP Ltd.'s current ARD is 30<sup>th</sup> April, therefore the financial year runs from 1<sup>st</sup> of May until 30<sup>th</sup> April.

### 4. FINANCAL YEAR

- 4.1 The Accounting Reference Date (ARD) signifies the date on which the company's financial year ends, and accounts must be submitted to Companies House. The default accounting date is set out in the Companies Act 2006, as the last day of the month in which the anniversary of its incorporation falls. We can change the current accounting period and there is no limit to the amount of times we want to shorten it, but we can only extend once in five years.
- 4.2 **The recommendation to board is to change the ARD to ensure the company financial years align with the government and our Accountable Body to run from 1<sup>st</sup> April to 31<sup>st</sup> March** which would shorten the previous year's end date to 31<sup>st</sup> March 2020. Although a moot point at present, as the company is dormant, if circumstances changed in the future, this would avoid having to duplicate financial reporting.

## **5. COMPANY ACCOUNTS**

- 5.1 Following completion of the company's first financial year, the board is required to approve the accounts for submission.
- 5.2 Despite being a dormant company, we are still required to file a simplified form of accounts with Companies House, to ensure that we are complying with the Companies Act 2006. The deadline for submission to Companies House is 8<sup>th</sup> April 2021.
- 5.3 Once approved by the Board the accounts will be emailed to all of the company members no later than the date of submission to Companies House in line with the requirements of the Companies Act 2006.

### **Summary of appendices**

1. Leicester and Leicestershire Enterprise Partnership Ltd Company Accounts

#### **For further information please contact:**

Mandip Rai  
LLEP Chief Executive  
Tel: 0116 4542911  
E-mail: [Mandip.rai@llep.org.uk](mailto:Mandip.rai@llep.org.uk)



Company Registered Number 11932434 (England and Wales)

Leicester and Leicestershire Enterprise Partnership  
Limited

Unaudited Dormant Accounts

For the period ended 31 March 2020

Leicester and Leicestershire Enterprise Partnership Limited

Registered Number 11932434

Balance Sheet as at 31 March 2020

	31.03.2020
	£
Fixed Assets	0
Current Assets	0
Current Liabilities	0
Total Assets less Liabilities	0
Capital and Reserves	0

For the financial period ending 31 March 2020 the company was entitled to exemption from audit under s480 of the Companies Act 2006 relating to dormant companies.

The members have not required the company to obtain an audit of its accounts for the period in question in accordance with s476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime.

These accounts were approved by the Board of directors and authorised for issue on 1<sup>st</sup> December 2020

And signed on their behalf by:

Kevin Harris Director

Leicester and Leicestershire Enterprise Partnership Limited

Notes to the accounts

For the period ended 31 March 2020

## **1. Accounting policies**

### **Company information**

Leicester and Leicestershire Enterprise Partnership Limited is a private company limited by guarantee without shares incorporated in England and Wales. The registered office is 23, Halford Street, Leicester, United Kingdom LE11JA.

### **Accounting convention**

These financial statements have been prepared in accordance with FRS 102 section 1A "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Small Companies (Accounts and Reports) Regulations 2008, and in pounds sterling and under the historical cost convention.

## **2. Income statement**

The company has not traded during the period. During this time the company received no income and incurred no expenditure and therefore no income statement is presented in these financial statements



# Paper F

## PAPER F

### LLEP BOARD

1 DECEMBER 2020



### Information Paper

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## LLEP OPERATING BUDGET 2020/21

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### 1 PURPOSE OF REPORT

- 1.1 The Board approved the 2020/21 LLEP operating budget at its meeting on 2<sup>nd</sup> June 2020. This report provides the full-year forecast position for 2020/21 as at the end of September 2020.
- 1.2 This report is not intended to cover the two principal capital funds, being the Local Growth Fund (LGF), which has a total funding envelope of £126m, with an approved 2020/21 allocation of £17.9m or the Growing Places Fund (GPF) with a balance of £5.6m as at November 2020.

### 2 RECOMMENDATIONS

- 2.1 The LLEP Board is recommended to:
- i. Note the mid-year financial forecast position for 2020/21;
  - ii. Note the main financial risks associated with the delivery of this forecast position.

### 3 OPERATING BUDGET 2020/21

- 3.1 The forecast outturn position for the year is a surplus of £124k. The original budget provided for £211k to be drawn from reserves to cover an in-year budget shortfall; it is currently not anticipated that this will be required. The reasons for the change are principally additional project income relating to costs incurred in 2019/20 and staff vacancies. The table below summarises the position:

	<b>2020/21 Budget (£)</b>	<b>2020/21 Forecast (£)</b>	<b>Forecast Overspend/ (Underspend)</b>
<b>Income</b>			
Grants (Core Funding and Capacity Building)	575,000	640,000	(65,000)
Local Authority Contributions (Business Rates Pool)	250,000	250,000	0
National & Local Project Income	1,226,000	1,422,200	(196,200)
Fees, Interest & Other Income	512,000	511,700	300
<b>Total Income</b>	<b>2,563,000</b>	<b>2,823,900</b>	<b>(260,900)</b>

## PAPER F

	<b>2020/21 Budget (£)</b>	<b>2020/21 Forecast (£)</b>	<b>Forecast Overspend/ (Underspend)</b>
<b>Expenditure</b>			
Staffing	1,036,000	924,700	(111,300)
Running Costs	368,000	377,400	9,400
Accountable Body Costs	185,000	182,800	(2,200)
Project Delivery Costs	1,185,000	1,215,000	30,000
<b>Total Expenditure</b>	<b>2,774,000</b>	<b>2,699,900</b>	<b>(74,100)</b>
<b>Net Deficit / (Surplus)</b>	<b>211,000</b>	<b>(124,000)</b>	

### 3.2 Income

Income is forecast to be higher than originally budgeted. The main variances between budget and forecast for the year include:

- Grants – Unanticipated additional capacity funding of £65k for the Getting Building Fund (GBF) has been received. Some of the associated monitoring and evaluation costs will be incurred in 2021/22 and 2022/23.
- National & Local Project Income – this includes the income received by the LLEP for the projects it manages; income is being received this year relating to expenditure that was incurred in 2019/20, resulting in a surplus in 2020/21. This includes the Business Gateway Growth Hub and ESIF. A more detailed breakdown of income and expenditure by project is shown at Appendix 1.

### 3.3 Expenditure

The main variances between budget and forecast include:

- Staffing - The staffing costs cover a core team of 17.6 FTE's (including 2 vacant posts). There are also currently 11 team members funded through projects, with an additional 2 due to start shortly. Savings are expected as a result of staff vacancies in the year to date.
- Running Costs – A small overspend is forecast on running costs due to expenditure on operating the Growing Places Fund being higher than budgeted.
- Accountable Body Costs – A slight underspend is expected to arise on this budget line from reduced printing during the year;
- Project Delivery Costs – An overspend of £30k is forecast; Appendix 1 provides a detailed breakdown of income and expenditure by project.

## 4 OPERATING BUDGET RISKS

4.1 Key risks associated with the delivery of the 2020/21 forecast outlined above are as

## **PAPER F**

follows:

- Due to the nature of payments, the income from ERDF for the Business Gateway could be delayed; a prudent estimate of this income has been taken and will be reviewed on a regular basis.
- Additional funds have been granted to Business Gateway. These are subject to clawback, presenting a risk to the budgets if not spent within this financial year.
- As the European Structural Investment Fund (ESIF) programme starts to wind down, there is a risk of a reduction in the Technical Assistance income. This will need to be monitored regularly and reported to the LLEP management and Board.

### **5 RESERVES**

- 5.1 The 2020/21 opening reserves balance was £2.029m, with a planned reduction of £211k based on the budget.
- 5.2 The current year end forecast is for a reserve balance of £2.153m based on a surplus of £124k. The LLEP is in the process of recruiting for the two vacant posts and two additional posts to provide support for governance and administrative functions. This will reduce the reserves in 2021/22 and will be reflected in the budget for 2021/22 and the 2-year financial strategy 2021-23.
- 5.3 As the Board will recall, the reserve is held for a number of reasons, including potential liabilities and capacity to contribute to specific projects/initiatives, together with a general contingency against costs and national funding uncertainties and changes. The reserve will be reviewed when the 2021/22 budget and future financial strategy is prepared, unless the Board requires any action to be taken sooner.

### **6. FINANCIAL IMPLICATIONS**

- 6.1 This report is concerned with financial implications throughout.

#### **Summary of Appendices:**

1. LLEP Project Income & Expenditure 2020/21

#### **For further information please contact:**

Mandip Rai  
LLEP Chief Executive  
Tel: 0116 4542911  
E-mail: [Mandip.raai@llep.org.uk](mailto:Mandip.raai@llep.org.uk)





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## Project Income & Expenditure 2020/21

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### 1 Careers and Enterprise Company

The programme is part-funded by the Careers and Enterprise Company (CEC), an employer led organisation set up by Government to inspire and prepare young people for the fast-changing world of work.

	2020/21 Budget	2020/21 Forecast	Forecast Overspend/ (Underspend)
	(£)	(£)	
National Grants (CEC)	120,000	210,200	(90,200)
Local Contributions (BRP)	100,000	100,000	0
Sponsorship	10,000	25,000	(15,000)
<b>Total Income</b>	<b>230,000</b>	<b>335,200</b>	<b>(105,200)</b>
Staffing	265,500	240,300	(25,200)
Marketing & Advertising	2,500	0	2,500
Running Costs	22,000	74,000	52,000
<b>Total Expenditure</b>	<b>290,000</b>	<b>314,300</b>	<b>24,300</b>

The increase in income and corresponding running costs is largely down to successfully securing additional funds for NEET prevention through Unbox Your Future and Special Education Needs Community of Practice.

Sponsorship is currently being secured from Leicester University to co-fund the recently recruited Enterprise Coordinator.

The underspend within the staffing budget is attributed to a staff member recently returning from maternity and opting for part time hours.

### 2 LLEP Business Gateway Growth Hub

The LLEP Business Gateway is the Growth Hub for Leicester and Leicestershire. Growth Hubs are Government initiatives which were set up to simplify access to business support, to inspire enterprise and drive economic growth. There are 38 Growth hubs covering the whole of the UK.

## PAPER F

	2020/21 Budget	2020/21 Forecast	Forecast Overspend/ (Underspend)
	(£)	(£)	
<b>National Grants (BEIS &amp; ERDF)</b>	731,000	915,400	(184,400)
<b>Local Contributions (BRP)</b>	30,000	0	30,000
<b>Total Income</b>	<b>761,000</b>	<b>915,400</b>	<b>(154,400)</b>
<b>Staffing</b>	200,800	203,700	2,900
<b>Marketing &amp; Advertising</b>	72,200	64,000	(8,200)
<b>Running Costs</b>	515,600	563,300	47,700
<b>Total Expenditure</b>	<b>788,600</b>	<b>831,000</b>	<b>42,400</b>

There is an increase in income and corresponding expenditure due to the successful award of Peer-to-Peer networking programme, which was awarded after the budget was set.

Due to the impact of the pandemic and the regulations around group meetings, workshops have moved online, resulting in a reduction in costs.

Staffing costs have increased slightly due to the current recruitment of a project officer.

### 3 Enterprise Zones

Enterprise Zones are a 25-year designation for a specific site in which 100% of rates uplift above a baseline is kept by the local area to fund future economic growth.

Ann u n d e		2020/21 Budget	2020/21 Forecast	Forecast Overspend/ (Underspend)
		(£)	(£)	
	<b>Business rates uplift</b>	100,000	0	100,000
	<b>Total Income</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>
	<b>Staffing</b>	96,400	63,700	(32,700)
	<b>Running Costs</b>	10,000	6,000	(4,000)
	<b>Total Expenditure</b>	<b>106,400</b>	<b>69,700</b>	<b>(36,700)</b>

rspond is forecast to arise on staffing costs due to maternity leave.

In is anticipated that from 2021/22 that the four Enterprise Zone sites will each contribute £25k towards the running costs of the team.

### 4 European Structural and Investment Funds (ESIF) Technical Assistance

European Structural and Investment Funds (ESIF) are the European Union's main source of funding for supporting growth and jobs across EU member states. ESIF is composed

## PAPER F

of three main programmes that provide around £6 billion of support over the 2014 to 2020 period.

	<b>2020/21 Budget (£)</b>	<b>2020/21 Forecast (£)</b>	<b>Forecast Overspend/ (Underspend)</b>
<b>ERDF</b>	65,000	93,800	(28,800)
<b>ESF</b>	70,000	77,800	(7,800)
<b>Total Income</b>	<b>135,000</b>	<b>171,600</b>	<b>(36,600)</b>

The ERDF TA completes in December 2020 and the forecasted amount reflects all claims to date and the remaining quarter.

ESF TA completes in December 2021 and the forecasted income is subject to a project change request.

There is no direct expenditure shown above, as staffing and other costs are part of the LLEP operating budget.



# Paper G

PAPER G

LLEP BOARD OF DIRECTORS

1 DECEMBER 2020



## Decision

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### LLEP GOVERNANCE REVIEW

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#### 1. PURPOSE OF REPORT

1.1 The purpose of this report is to:

- i. seek board agreement to the draft terms of reference for the:
  - a. Finance and Audit Committee; and
  - b. Innovation Board; and
- ii. seek board director nominations for membership of the Finance and Audit Committee, Enterprise Zone Implementation Groups and Skills Advisory Panel (SAP).

#### 2. RECOMMENDATIONS

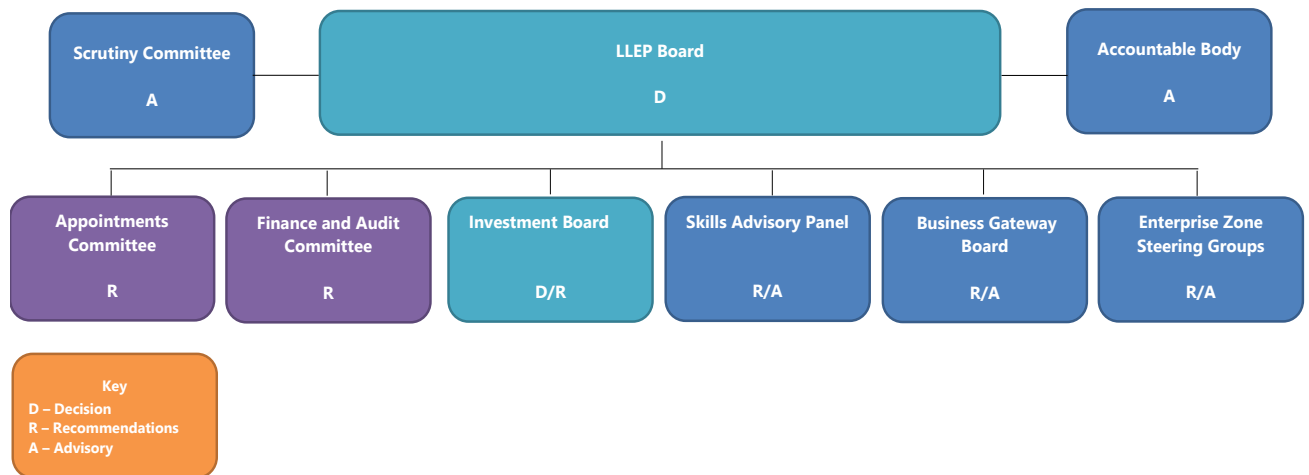
2.1 The LLEP Board is recommended to:

- i. approve the draft terms of reference for the:
  - a. Finance and Audit Committee; and
  - b. Innovation Board
- ii. approve the appointment of Dr Nik Kotecha, Andy Reed and Anil Majithia as members of the Innovation Board; and
- iii. seek and, where forthcoming approve, appointments of:
  - a. three board directors as members of the Finance and Audit Committee;
  - b. to each of the Enterprise Zone Implementation Groups a private sector board director as a member;
  - c. a private sector board director as a member of the Skills Advisory Panel (SAP).

#### 3. BACKGROUND INFORMATION

3.1 At its meeting on 2 June the board agreed to progress the proposed changes to the LLEP governance structure as illustrated below.

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- 3.2 The Investment Panel has been established and its membership and revised terms of reference have been agreed by the Board. In addition to the groups shown above, the board agreed at its meeting in October to establish an Innovation Board which would report into the main board. Directors, Dr Nik Kotecha, Andy Reed and Anil Majithia nominated themselves for membership of the Innovation Board at the board meeting. **The board is recommended to agree the LLEP director membership as outlined above and Draft terms of reference for the Innovation Board attached as Appendix 1.**
- 3.3 The revised governance structure includes the formation of a Finance and Audit Committee which will be responsible for providing assurance to the board as well as maintaining oversight of the LLEP in achievement of its financial operations, audit and risk management objectives. Draft terms of reference for the Finance and Audit Committee are attached as Appendix 2. **The board is recommended to approve the draft terms of reference and seek nominations for, and where forthcoming, agree nominations of three directors to become members of the committee.**
- 3.4 The revised governance structure also includes the formation of an independent Scrutiny Committee to provide strategic overview and scrutiny of the LLEP. The Committee membership (12 members) will be appointed by the LLEP company members. At present there are only 8 members therefore it is proposed that the formation of the Committee is deferred until a sufficient number of Members are appointed.
- 3.5 The Enterprise Zone (EZ) legal agreements between the LLEP and the business rates billing authorities include a revised membership. These will be now be called EZ Implementation Groups and chaired by the respective billing authority Chief Executive. It is proposed that a private sector LLEP Board Director becomes a member of each of the four EZ Implementation Groups (MIRA Technology Park (MTP), Leicester Waterside, Loughborough University Science and Enterprise Park (LUEP) and Charnwood Campus). **The board is recommended to seek nominations for, and where forthcoming, agree nominations of a private sector board director as members for each of the four EZ Implementation Groups.**

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- 3.6 The Skills Advisory Panel (SAP) is chaired by the further education representative and director, Verity Hancock. In order to strengthen the business engagement and input into the SAP, it is proposed that a private sector board director joins the group. **The board is recommended to seek nominations for, and where forthcoming, agree nomination of a for private sector board director as a member of the SAP.**
- 3.7 Appendix 3 outlines current board director representation on the various sub-groups of the LLEP governance structure.

### **Summary of appendices:**

1. Innovation Board - Draft Terms of Reference
2. Finance and Audit Committee - Draft Terms of Reference
3. Board director representation on LLEP governance groups

### **For further information please contact:**

Mandip Rai  
LLEP Chief Executive  
Tel: 0116 4542911  
E-mail: [Mandip.rai@llep.org.uk](mailto:Mandip.rai@llep.org.uk)





## **Innovation Board Draft Terms of Reference**

### **Purpose**

The Innovation Board will maintain strategic focus and thought leadership in innovation, on behalf of the LLEP Board and support the delivery of innovation activity outlined in the MIT REAP vision document and the overarching Economic Strategy for the area.

### **Responsibilities**

The responsibilities of the Innovation Board are to:

1. Provide the leadership to ensure all partners make their contribution to delivering on the high-level ambitions;
2. Consider the 'big picture', providing strategic advice to the LLEP Board on matters relating to innovation;
3. Drive and coordinate activity which delivers the strategic objectives of the MIT REAP and Economic Strategy for the LLEP area;
4. Support the development of the Local Industrial Strategy, Economic Recovery Strategy, identifying actions and interventions and best practice for the Ideas foundation of productivity;
5. Stimulate greater levels of collaboration between university and businesses in the region;
6. Assess policies, proposals and programmes of investment linked to innovation regionally, nationally and internationally, providing guidance to the LEP on how they relate to the LLEP areas innovation assets and skills, and identifying any gaps in provision;
7. Broker and co-ordinate strategic collaborations and relationships across sectors, with Innovate UK, UKRI, other relevant branches of Government, and trade associations and industry bodies, nationally and internationally;
8. Champion and provide input into strategic projects and game changing opportunities;
9. Commission task and finish groups where appropriate and where no other sub-board or committee can fulfil the task;
10. Share strategic intelligence, data and ideas, and commission research and analysis as required; and
11. Connect to and collaborate with regional and national stakeholders that play a role in delivering innovation, continuing to identify gaps and opportunities.

## **Membership**

The Innovation Board will be chaired by a LLEP Board director and will be appointed by the Innovation Board members. The membership will draw from leading businesses and organisations actively involved in innovation strategy and delivery and comprise of a maximum of 15 members including:

1. Up to three LLEP Directors, one of whom will be appointed as Chair
2. Representatives from businesses being senior executive officers of an organisation, with at least one representative from each of the LLEPs priority sectors (Advanced Manufacturing and Engineering; Space; Health and Life Sciences and Sport), including at least 1 SME
3. A senior executive officer from Innovate UK
4. A senior executive officer from British Business Bank
5. A senior representative officer from each the Universities (Leicester, Loughborough and DMU)

The Innovation Board will meet at least four times a year.

Appointments to the Board shall be agreed by the LLEP Board and all appointments to the Innovation Board shall be for a term of 3 years.

## **Format and Timings of Meetings**

The meetings and papers of the Innovation Board will be in the same format as and subject to the same conditions as the LLEP Board meetings and papers.

In accordance with the national guidance:

1. Meeting agendas and papers will be circulated 5 clear working days before the meeting takes place;
2. Minutes of meetings to be circulated within 10 clear working days of the meeting taking place. This may be in draft if internal LLEP processes require clearance before the minutes are finalised;

3. The Code of Conduct will apply, and any declaration of interest made at the meeting will be included in the minutes of the meeting. A new declaration of interest will be updated on the relevant member's register of interest;
4. The quorum necessary for the transaction of business shall be five members. The meetings can either be conducted in person or virtually;



5. Where a meeting of is not quorate no business shall be transacted other than information items for consideration and a vote as to the date the meeting will be reconvened;
6. Each member has one vote and decisions will be carried by a simple majority and the chair will have the casting vote if a majority is not reached; and
7. The agenda for the meetings will be developed in consultation with the Chair.

### **Reporting Responsibilities**

The Chair shall report formally to the LLEP Board on its proceedings after each meeting on all matters within its objectives.

The Chair shall make whatever recommendations to the Board it deems appropriate on any area within its duties where action or improvement is needed.

### **Delegated Authority including limits**

The Innovation Board is authorised by the LLEP Board to investigate any activity within the Innovation Board's terms of reference and, within its scope of responsibilities, to seek any information it requires and to ensure the attendance of management representatives at meetings as appropriate.



## **Finance and Audit Committee Draft Terms of Reference**

### **Purpose**

The Finance and Audit Committee will provide assurance to the board as well as maintain oversight of the LLEP in achievement of its financial operations, audit and risk management objectives. It will also advise the board on the strategic framework and policy for financial and risk management and its system of internal controls.

### **Responsibilities**

The responsibilities of the Finance and Audit Committee are to:

1. Assess the adequacy of the nature, extent and effectiveness of accounting and other internal control systems of the LLEP;
2. Assess the adequacy of the control and maintenance of the LLEP's assets; and receiving reports prepared by auditors on the effectiveness of the financial systems, operations and management;
3. Review the financial policies of the LLEP to ensure that these comply with company law and current accounting standards and other standards promoting good practice;
4. Approve the timetable for the preparation of the annual report and the LLEP's year-end accounts and agreeing priority areas to be addressed by the auditors;
5. Review the annual financial year end accounts, financial statement, and any report of the auditors to the Board and making recommendations for the approval of the Board;
6. Review annual budget and scenario planning and make recommendations for the approval of the Board;
7. Monitor and make recommendations to the Board in relation to the LLEP's reserves and interest policies and ensure the LLEP distributes its reserves and interest accrued responsibly in line with this policy and the Articles of Association;
8. Work and liaise as necessary with all other Board committees (including the Board, Investment Panel, Appointments Committee), taking particular account of the impact of risk management and internal controls being delegated to different committees;
9. Review and ensure appropriateness of the risk management policies and processes and provide assurance to the board on consistency and applications of appropriate risk management processes;
10. Maintain oversight of the relationship with the designated accountable body (Leicester City Council) through regular review of the Accountable Body Agreement; and
11. Maintain oversight of the management of Corporate Risk Register.

## **Objectives**

The Finance and Audit Committee objectives are to:

1. Provide scrutiny and oversight of the financial position, requirements and procedures relating to all funding awarded to, and by the LLEP including the operational budget;
2. Ensure that LLEP is fully compliant with all financial requirements which apply to a company limited by guarantee e.g. company accounts and financial returns to funders;
3. Ensure that LLEP operates from the basis of good financial practice;
4. Undertake an annual internal review of the LLEP's compliance with the LEP Assurance framework;
5. Review and approve financial reports prior to presentation to the LLEP board;
6. Monitor and assess the role and effectiveness of the internal audit function in the overall context of the LLEPs risk management system;
7. Ensure the adequacy and effectiveness of the LLEPs system of internal controls, through internal audits;
8. Agree an internal audit plan, ensuring a regular, timely and robust process of audit activity, that provides assurance to the S151 officer and the LLEP Board; and
9. Ensure recommendations from audit reports are being effectively implemented.

## **Membership and Attendance**

The Committee membership will comprise of three directors of the LLEP as appointed by the Board, one of whom will be appointed as chair by the Board.

A director who is a member or officer of the Accountable Body shall not be eligible for membership of the Committee, to avoid any conflict of interest.

In attendance at meetings in a non-voting capacity will be the Section 151 officer of the accountable body (or their representative) and the LLEP CEO. Other officers may be requested to attend as required

Internal and external auditors of the LLEP and the accountable body may be asked attend. They also have the right to request attendance to present on any particular matter.

The Committee will meet at least twice a year.

Appointments to the Committee shall be agreed by the LLEP Board and all appointments shall be for a term of 3 years.

## **Format and Timings of Meetings**

The meetings and papers of the Committee will be in the same format as and subject to the same conditions as the LLEP Board meetings and papers.

In accordance with the national guidance:

1. Meeting agendas and papers will be sent 5 clear working days before the meeting takes place;
2. Minutes of meetings will be circulated within 10 clear working days of the meeting taking place. This may be in draft if clearance is required before the minutes are finalised;
3. The Code of Conduct will apply to Directors and any declaration of interest made at the meeting will be included in the minutes of the meeting. A new declaration of interest will be updated on the relevant member's register of interest;
4. The quorum necessary for the transaction of business shall be two members. The meetings can either be conducted in person or virtually;
5. Where a meeting is not quorate no business shall be transacted other than information items for consideration and a vote as to the date the meeting will be reconvened;
6. Each member has one vote and decisions will be carried by a simple majority and the chair will have a casting vote if a majority decision is not reached; and
7. The agenda for the meetings will be developed in consultation with the Chair.

## **Reporting Responsibilities**

The Chair shall report formally to the LLEP Board on its proceedings after each meeting on all matters within its duties and responsibilities.

The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

## **Delegated Authority including limits**

The Committee is authorised by the LLEP Board to investigate any activity within the Committee's terms of reference and, within its scope of responsibilities, to seek any information it requires and to ensure the attendance of management representatives at meetings as appropriate. The Committee has the authority to request that the LLEP CEO obtain outside legal or independent professional advice as required to meet its purposes, the obtaining of such advice being subject to budget controls.





BOARD DIRECTOR	LLEP GOVERNANCE REPRESENTATION
Andy Reed	Investment Panel Innovation Board
Anil Majithia	Appointments Committee Innovation Board
Anne-Marie Hunt	
Chas Bishop	
Cllr Jonathan Morgan	
Cllr Nick Rushton	
Cllr Terry Richardson	Investment Panel
Dr Nik Kotecha	Investment Panel Innovation Board
Emma Anderson	Appointments Committee Investment Panel
Jaspal Singh Minhas	
Kevin Harris	Appointments Committee
Neil McGhee	Growth Hub Board Investment Panel
Prof Robert Allison	Innovation Board
Rani Mahal	Investment Panel
Sir Peter Soulsby	
Sonia Baigent	Investment Panel
Verity Hancock	Skills Advisory Panel



# Paper H

PAPER H

LLEP BOARD OF DIRECTORS

1 DECEMBER 2020



## Decision Paper

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### ECONOMIC RECOVERY PLAN

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#### 1. PURPOSE OF REPORT

1.1 The purpose of this report is to:

- i. seek Board approval of the draft Economic Recovery Plan; and
- ii. seek a Board decision on the timescales for the development of a longer-term economic recovery strategy.

#### 2. RECOMMENDATION

2.1 The Board is recommended to:

- i. note the content of the report and associated appendices;
- ii. approve the draft Economic Recovery Plan; and
- iii. request the Accountable Body procure and appoint on behalf of the LLEP, and in conjunction with LLEP Officers, the appointment of external consultants, with a view to commence work on the development of the long-term economic recovery strategy in early 2021.

#### 3. ECONOMIC RECOVERY PLAN

3.1 The draft Economic Recovery plan has been produced by the LLEP in consultation with the Economic Recovery Cell (ERC) of the Leicestershire Resilience Forum (LRF) and the wider community of partners and stakeholders represented by members of the Cell. This is a short-term plan, broadly covering the period up to December 2021 and consists of actions which are:

- achievable within the specified timescale
- additional to, or enhance existing national programmes of funding and support
- where resources have already been identified or there is a strong likelihood

3.2 A first draft Economic Recovery Plan was produced on 3 September 2020 and circulated to the LLEP Board, ERC and wider stakeholders for comment.

3.3 In response to the feedback received, a second draft of the plan was circulated to the ERC and partners on 5 November 2020. This version was endorsed by the ERC at the

meeting held on 13 November 2020, subject to the insertion of an additional page highlighting those industrial sectors and individuals within society most vulnerable to the effects of both Covid-19 and EU Transition.

- 3.4 Supplementary to the main body of the plan is a detailed actions matrix which articulates the specific interventions relating to each of the priorities. The matrix sets out the interventions which will be undertaken by the LLEP and the wider stakeholder community, identifying responsibilities, resources, outputs and outcomes. This allows an opportunity to ensure that interventions within partner recovery plans are integrated within the plan. The matrix will be subject to regular review and updating via both the Economic Recovery Cell, Tactical Recovery Coordination Group and those organisations leading on initiatives.

#### 4. ECONOMIC RECOVERY STRATEGY

- 4.1 The LLEP published its Strategic Economic Plan (SEP) in 2014. The SEP covered the period from 2014-2020.
- 4.2 On 27 November 2017, the Government published [Industrial Strategy: Building a Britain Fit for the Future](#). Immediately following its publication, an initial cohort of eight trailblazer LEPs were asked to develop a Local Industrial Strategies (LIS). Following the publication of the LLEP Local Industrial Strategy Prospectus, it was announced on 23 June 2018 that Leicester and Leicestershire had been included in a second wave of areas invited to prepare a LIS with Government.
- 4.3 A first draft of the LIS was presented to the LLEP Board on 6 August 2019 and a second draft, LIS Logic Chain and Executive Summary were produced in response to Board, stakeholder and LIS Analyst Panel feedback. However, further detailed discussions with government departments as part of the co-authoring process were postponed due to the timing of the General Election on 12 December 2019.
- 4.4 At the beginning of March 2020 the LLEP was at the point of submitting the draft LIS to government for a write round when the Covid-19 pandemic struck resulting in a further postponement of submission.
- 4.5 On 3<sup>rd</sup> June the Department for Business, Energy and Industrial Strategy (BEIS) launched a super inquiry into Post Pandemic Economic Growth to look at options available to secure the country's economic recovery from the impact of Covid-19. This included a sub inquiry into the Industrial Strategy *to examine whether the Government's current industrial strategy is fit for purpose, whether it is genuinely strategic, and whether it is focused on the right sectors, issues and policy areas.*<sup>1</sup>
- 4.6 The outcome of the Post Pandemic Inquiry will result in a refreshed Industrial Strategy in which the areas of focus may differ from the five foundations of productivity previously identified and which form the basis of the LIS framework. It has been widely

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<sup>1</sup> [Business, Energy and Industrial Strategy Committee](#)

## PAPER H

reported that there will be a shift in emphasis, with more focus on science and technology, levelling up of the regions and green recovery and growth.

- 4.7 At the LLEP Board meeting on 6 October 2020, Board Members agreed that the procurement of consultancy to develop a long-term economic recovery strategy should be delayed until the publication of the Local Economic Recovery and Devolution White Paper which been delayed and was expected in January 2021.
- 4.8 At present the timing of the White Paper publication remains unclear, and it is possible that it will not be published until after the May local elections. As such there is a need to decide whether the LLEP commission a long-term economic strategy now or further defers work on this until the White Paper and refreshed Industrial Strategy are published.
- 4.9 The advantages and disadvantages associated with initiating the development of a long-term economic recovery strategy are as follows:

### **Disadvantages**

- In the absence of a refreshed Industrial Strategy and / or Local Economic Recovery and Devolution White Paper there is no roadmap or clear direction of travel against which to develop a strategy
- It remains unclear what levels of funding and investment will be attached to such a strategy – the CSR will now only cover one year of operation
- There is the potential that the LLEP could commission work which may prove redundant in the light of subsequent changes contained within the White Paper and publication of further guidance on the production of local strategies being released by Government, incurring further costs
- The draft LIS has already identified pre-Covid long term aspirations for Leicester and Leicestershire

### **Advantages**

- The SEP has reached the end of its lifetime and has not been replaced by another document which articulates the overarching strategic ambitions of the area in this way.
- The majority of the objectives contained within the LIS remain valid in the context of effecting long term economic growth and there is an expectation that they would be incorporated within a future strategy.
- Creating an Economic Recovery Strategy is an opportunity for the LLEP to ensure that it is on the front foot in terms of capturing those aims and objectives which will enable Leicester and Leicestershire to fully participate in the 'levelling up' agenda and to determine the direction of travel, much as it did in seizing the initiative to create the LIS Prospectus.
- The procurement can be done in a way that builds in the flexibility to adapt the scope of the report and the specification, as currently drafted, includes the potential requirement to reframe / refocus the structure if the White Paper is published during the development of the strategy.

## PAPER H

- It offers an opportunity for the LLEP Board to review key priorities in the light of the impact of Covid-19 and Brexit, e.g. the recent focus on Innovation and Sustainable Growth to ensure that the strategy is sufficiently ambitious.

4.10 On balance, it seems more advantageous for the LLEP to pursue the development of a long-term strategy with immediate effect. Indicative timelines are given below, though these are subject to confirmation with the Accountable Body, as the contracting organisation, that these are feasible.

December 2020	Procurement exercise
Jan 2021	Inception Meeting with selected provider
Jan-March 2021	Implementation of agreed methodology, to include consultation with LLEP Board and stakeholders
22 April 2021	Draft Strategy presented to LLEP Board
24 June 2021	Final draft presented to LLEP Board

### Summary of Appendices

1. Draft Economic Recovery Plan

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# DRAFT Covid-19 Economic Recovery Action Plan



*Version 2.2 November 2020*

## 1. Introduction

The impact of the Covid-19 pandemic is unprecedented, unlike other economic shocks, it is ongoing and volatile with the likelihood of repeated lockdowns giving rise to high levels of uncertainty. Local response in Leicester and Leicestershire has been coordinated through the Local Resilience Forum, comprising key stakeholders, with Leicester and Leicestershire Local Enterprise Partnership (LEP) leading the Economic Recovery Cell (ERC). The ERC has overseen the development of a high-level Economic Recovery Action Plan for Leicester and Leicestershire as part of the Covid-19 Economic Recovery framework:

1	Analyse Economic Shock	Immediate and ongoing
2	Create short-term economic recovery plans	12-18 months (to Dec 2021)
3	Develop longer term economic recovery strategy	5-10 years (to 2030)

An initial draft of the plan was circulated among partners and stakeholders in September 2020 and feedback received has been incorporated into the development of the current more succinct and focused plan.

The plan was developed according to the following principles:

- Using available economic data to inform the plan
- Focusing on business and employment support
- Recognising where there are opportunities to build back better and respond to emerging local and national priorities.

To meet immediate local needs priorities have been structured against the following key themes:

- Business recovery
- People, employment and skills
- Green recovery
- Innovation, science and technology
- Infrastructure

This document identifies the key priorities; it is supported by a detailed matrix developed with partners and stakeholders which captures the specific responsibilities, actions, timescales and resources feeding into each of the identified priorities within the plan. This will be regularly reviewed by the Economic Recovery Cell.

Cutting across all of the priorities are four identified 'golden threads': cross cutting strands embedded within the recovery actions which are seen as critical to successful economic recovery. In the more detailed plans, consideration will be given to how these overarching themes will be addressed within each priority.



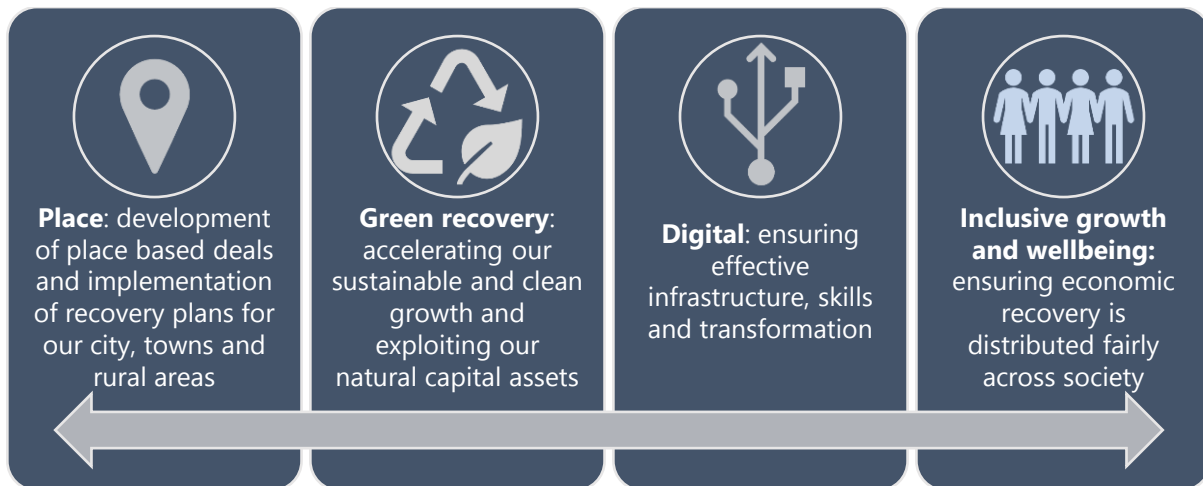


Figure 1 Cross-Cutting Themes

## 2. COVID-19 Economic response

At the time of writing the fluid nature of the impact of Covid-19 on our economy has already been felt keenly in Leicester and Leicestershire, firstly through the extended period of lockdown within Leicester City and surrounding districts, and more recently by the announcement of a further national lockdown due to begin on 5<sup>th</sup> November.

The Recovery Plan has to be flexible and to provide a steer in terms of positive actions which can be undertaken within the next 18 months to mitigate against the effects not only of Covid-19 but also of EU transition once the transition arrangements come to an end on 31 December 2020.

Therefore in determining priorities for action, a number of factors have been considered in addition to the feedback from stakeholders to the first draft:

- a reduced number of priorities allowing concentration on key issues;
- responding to immediate and emerging priorities where resources have been identified;
- consideration of additional impact arising from EU Transition;
- actions which can be achieved within the coming year to December 2021;
- importance of addressing the most adversely affected parts of the economy but also of building upon strengths of the area to aid recovery;
- ensuring that the plan addresses the needs of all parts of our economy, be that urban, rural, high street or city centre; and that where possible actions will have a wide-ranging impact and
- ensuring the plan remains flexible to consider the impact of future lockdowns and closures of non-essential business.

### 3. Economic Impact – Leicester and Leicestershire



\*Includes all claims received to 30 September 2020

Figure 2 Economic Impact

The data in Figure 2 illustrates the impact which Covid-19 has had on the area as a whole, however, it is recognised that there are business sectors and groups within society likely to be more adversely affected.

#### *More vulnerable industries*

Industries most adversely affected by Covid-19 have been those classed as non-essential where they have been unable to trade, but also those within supply chains. For example, agriculture has been adversely affected by the decrease in demand from wholesalers supplying the hospitality industry.

Travel, tourism and hospitality sectors have been among the hardest hit, and the impact has been keenly felt across the area, particularly through the extended Leicester lockdown. Allied to this is the impact on creative and cultural industries, hit hard by the preparation and development time required to stage events and productions in addition to social distancing requirements.

The retail sector has also been impacted by the closure of non-essential retail, albeit that some outlets have been able to pivot to online platforms.

Whilst not all manufacturing has been adversely affected by Covid-19, there is a concern that the predominance of manufacturing across Leicester and Leicestershire which exports to the European Union could increase the area's vulnerability in a no-deal Brexit scenario.

#### *More vulnerable sections of our population*

Young workers (aged up to 25) are likely to be disproportionately disadvantaged by any downturn in the economy. They are the highest percentage of claimants by age group, and young women are particularly disadvantaged as they are more likely to work in hospitality or retail. This age group is likely to be the hardest hit for a number of reasons including missing education, reduction in apprenticeship opportunities, a more competitive labour market and lack of workplace digital skills. At the other end of the age spectrum, those over 50 may also find it harder to secure employment in times of recession.

In any recession, there is an increased propensity for widening inequalities, with disadvantaged communities at greatest risk, including BAME communities, people with disabilities and care leavers.

Whilst the priorities are high level, the development of specific actions within the Action Matrix, will ensure that we address the needs of those businesses and individuals who are forecast to be disadvantaged, linking activity and interventions to areas of opportunity and growth.

## 4. Progress to Date

### Businesses Support

- Local authorities across Leicester and Leicestershire successfully distributed £193,885,000 of government grant support (Small Business Growth Fund and Retail, Hospitality and Leisure Grant Fund) to 95% of eligible businesses compared to national average of 93%
- Business Gateway Growth Hub delivered over 100 webinars to SMEs between April and October, many of them focused on supporting businesses through Covid-19
- Between August and October 2020, grants totalling £484,594 have been made to 71 rural businesses through the Leicestershire Business Recovery Fund
- A Tourism Recovery Framework has been developed by the Tourism Advisory Board
- The Growth Hub developed a [Covid-19 Business Toolkit](#) to ensure businesses have access to the latest information and guidance
- Established a Massachusetts Institute of Technology (MIT) Regional Entrepreneurial Acceleration Programme (MIT REAP)<sup>1</sup> project group comprising De Montfort, Leicester and Loughborough Universities, SMEs, Corporates, Risk Capital, LLEP Growth Hub and UKRI to drive forward innovation priorities through enabling improved connections between the area's assets in science and technology and its strong manufacturing base.
- Produced regular economic intelligence updates on the impact of Covid-19 via the LLEP Business and Economic Intelligence Update, [LSR Online](#) and Multi-Agency Information Cell to inform planning and sharpen the focus of potential interventions
- Development of a range of Business Improvement District, City and Town Centre Recovery Plans
- Identification of £1.6m additional LLEP funding to support Covid-19 recovery interventions including low-carbon technologies, NEET prevention, digital poverty and potential local enhancements to existing schemes of support

### People

- The Enterprise Adviser Network secured £20k of Careers and Enterprise Company (CEC) funding to deliver 1,500 'Unbox Your Future' toolkits to young people across Leicester and Leicestershire at risk of becoming NEET (not in education, employment or training)
- An immediate response to potential redundancies through collaboration between LLEP, Futures, Leicester Employment Hub and the Department of Work and Pensions to set up the Covid-19 redundancy and recruitment service
- A range of organisations including local authorities, business representative organisations, and training providers have registered as Gateway organisations for the Government's Kickstart Scheme, which provides funding to create new job placements for 16 to 24-year olds on Universal Credit who are at risk of long-term unemployment

### Infrastructure

- Allocation of £20m to four projects via the Getting Building Fund
  - Junction 23 M1 / A512 Access Improvements
  - St. Margaret's Gateway
  - SportPark Pavilion 4
  - Granby Street and St. George's Street Regeneration Gateway

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<sup>1</sup> A pilot project designed to support LEPs/MCAs to develop strategies and approaches to drive up productivity and entrepreneurial innovation in their local area.

## 5. Priority Actions

### People, Employment and Skills

1. Augment the national Kickstart programme through the delivery of local enhancements to maximise young people's prospects of securing employment.
2. Deliver additional targeted support to those young people most at risk of becoming NEET.
3. Create a Leicester and Leicestershire Digital Skills partnership made up of key partners, businesses and stakeholders in order to address digital skills deficiencies in the workplace and wider society.
4. Identify and deliver interventions targeted at reducing digital poverty across Leicester and Leicestershire.
5. Develop an area-wide Apprenticeship Strategy with input from businesses and key delivery partners to enable both employers and individuals to benefit from the opportunities offered by apprenticeships and enable volumes to increase post-Covid-19.
6. Secure a Wave 2 Institute of Technology (IoT) within the LLEP area to provide a vehicle for the delivery of higher technical qualifications and digital skills linked to the needs of the economy of Leicester and Leicestershire.
7. Create opportunities for graduate employment within SMEs as both a route to business recovery for the employer and a way of creating employment opportunities for graduates.
8. Develop clear pathways into employment for emerging, highly productive and buoyant sectors (e.g. low carbon) through detailed consultation with sector representatives to understand the skills and qualifications required, the scale of opportunity and the range of occupations.
9. Deliver effective careers, employment and retraining advice through DWP, NCS and other partners. Consider if there is a need to further supplement this activity at a local level. Reduce the flow of low skilled, poorly qualified individuals into adulthood and ensure that good quality, relevant careers support is available to all age groups, including those over fifty.
10. Enable continued delivery of support interventions for those furthest from the labour market in both urban and rural settings.

## Business Support

1. Provision of ongoing advice and support to business on both Covid-19 and EU transition through a range of channels feeding into the Business Gateway Growth Hub as the impact of both events continues to unfold.
2. Respond to an anticipated increase in demand for start-up support through the development and coordination of a cohesive local framework for start-up support. This will draw together existing offers including provision for the development of entrepreneurial skills among key groups, e.g. newly redundant, graduates, young people and women.
3. Commission research on the impact of Covid-19 and EU Transition across a range of sectors to enable the development of sector recovery plans and effective targeting of support not only to those industries adversely affected but also those where there are identified opportunities for growth.
4. Utilise discretionary funding to extend availability of Business Grants to a greater number of SMEs and particularly those who have been unable to access any other form of financial support during the crisis.
5. Provision of support for the development of locally based supply chains where possible to address instances where chains have been broken as a result of Covid-19 and to mitigate against the impact of EU transition.
6. Utilising established channels, further invest in place marketing, with outputs which play to the strengths of the area, mitigating against any residual negative image resulting from Covid-19 and connecting and communicating effectively to new markets and visitors alike.
7. Establish sector focused Peer Networks to enhance resilience and recovery from the impact of Covid-19 and enable SMEs to develop potential for future growth and productivity.
8. Provide support to enable digital transformation in SMEs across a range of sectors.
9. Develop a comprehensive roadmap leading to a zero-carbon economy for Leicester and Leicestershire to include investment opportunities, jobs and skills requirements and identifying pathways to training and careers.

## Innovation

1. Establish an adequately resourced LLEP Innovation Board to provide impetus and oversight to drive forward accelerated innovation priorities at a strategic level and ensure that momentum is maintained.
2. Develop sector-focused accelerator programmes, to channel innovation in both traditional and beacon sectors. Use accelerator programmes to forge improved connections between the area's 'beacon' science and technology assets and 'bootstrap' manufacturing base enabling cross sector transfer of technologies.
3. Identify and action 'quick win' opportunities for the creation of new spaces (both physical and virtual) for improved knowledge exchange and cross-fertilisation of skills from high R&D to low R&D sectors. These connections would stretch beyond campuses and civic institutions to off-campus mixed spaces, new networks and hubs, and use existing infrastructure (e.g. the well-connected creative and digital industries).
4. Develop a support service to act as a catalyst, connecting business to the R&D potential within universities and smoothing perceived barriers to engagement, providing a gateway to an 'accelerator'. This service would act as a bridge to join up higher education expertise with real life business needs and provide support in accessing finance for innovation.
5. Enhance sustainability and success through collaboration with FE and HE to develop focused training programmes for the manufacturing workforce to enable adoption of new technologies (e.g. AI, big data, automation, low carbon, e-commerce) which support innovation and enhance manufacturing capabilities.
6. Engage with local and regional low/zero carbon innovation programmes to ensure matches with local business and clusters.

## Green Recovery

To aid Green Recovery some underpinning work is required within the next 12 months to scope the needs of the Zero Carbon sector and develop a package of support which can be applied across the wider business community.

1. Initial development of a detailed understanding of the future growth needs of the Zero Carbon sector and the wider decarbonisation of businesses across the LLEP area by:
  - mapping zero carbon and circular economy business opportunities within the local economy;
  - establishing a focus group comprising businesses already engaged in the sector, in order to develop an understanding of how best to support businesses to

- reduce their emissions/impact and what should be included in the development of a bespoke training package to support the wider business community and
  - Development of a trial product and support package to support the business community to move towards zero carbon and deliver business efficiencies.
2. Acceleration of local infrastructure projects in order to begin identifying large scale and visible projects in the LLEP area. This is partly about starting to identify strategic investment projects, partly about generating some local momentum, and partly about securing investment.
  3. Set out the investment requirements for our local zero carbon development needs and work with partners to match the associated training and skills routes and business opportunities.
  4. Promotion of sustainable transport options and promotion of green modes of travel including walking and cycling.

## Infrastructure

1. Delivery of four additional capital projects through the Getting Building Fund which mitigate against the impact of Covid-19:
  - Junction 23 M1 / A512 Access Improvements;
  - St. Margaret's Gateway;
  - SportPark Pavilion 4 and
  - Granby Street and St. George's Street Regeneration Gateway.
2. Leverage existing natural capital assets to drive a green economic recovery through the development of a Natural Capital Plan to establish a baseline position and assess contribution of natural capital assets to local growth and productivity, with appropriate metrics to allow for future monitoring and evaluation.
3. Identify opportunities to add further green credentials to plans, e.g. zero emissions vehicles, charging/re-fuelling locations to support zero emissions connectivity and wider uptake of such vehicles by the public sector, private sector and wider use.
4. Facilitate improvements in digital connectivity through broadband, Wi-Fi and 5G connectivity, particularly in rural blackspots. Develop a viable and achievable plan for encouraging SMEs and other businesses to adopt 5G technologies as a transformative route to both innovation and improved productivity.



# Paper I

Meeting	January	February
LLEP Board	AB 25th-29th	11th
Deadline and Agenda		Draft SAP plan , Budget and Strategy, White Paper - Devolution,
Investment Panel	21st	22nd AB
	7th AB , Programme updates , GPF investment	
Skills Advisory Panel	7th	
	Draft Local Skills Plan	
Growth Hub Board		25th Feb
		indicative date to be agreed with Chair
Enterprise Zone Steering Groups	4xSG	
Innovation Board	14th Jan	
	Indicative date and meetings thereafter	
Finance and Audit		
Scrutiny		
other planned events	Annual Performance Review /submission of Growth hub application core funding	Delivery and Annual plan Development

March	April	May	June
	22nd		24th
	AB 1st April Annual plan, Delivery Plan Draft Strategy		AB 7th
11th		20th	
		AB 3rd May	
	14th		
	Indicative date to be agreed with Chair		
		6th May	
		Indicative date to be agreed with Chair	
	4x SG		
	15th Apr		
	Indicative date		
Submission of Local Skills Plan	Submission of Delivery and Annual plan		AGM TBA

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# Paper J

## PAPER J

### LLEP BOARD OF DIRECTORS

1 DECEMBER 2020

#### Decision Paper



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### LLEP BOARD – PRIVATE SECTOR DIRECTOR APPOINTMENTS

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#### 1. PURPOSE OF REPORT

- i. The purpose of this report is to seek LLEP board agreement to recommend to the AGM the appointment of two Private Sector Directors to the LLEP as detailed in the report.

#### 2. RECOMMENDATION

2.1 The board is recommended to:

- ii. Agree the recommendation to the AGM of the appointment of Clare James and Lorraine Boorman as Private Sector Directors to the LLEP Board.

#### 3. BACKGROUND INFORMATION

- 3.1 The board agreed the recruitment process to appoint a Private Sector Director following the resignation of Karen Smart. A total of four applications were received and the Appointments Committee (Kevin Harris, Emma Anderson and Anil Majithiya) shortlisted all four candidates for interview an interview week commencing 19 October 2020.
- 3.2 Following the interview process, the Appointments Committee agreed to recommend that the offer of a Private Sector Board Director be made to two of the candidates. Although the intention was to recruit one Private Sector Director, the Appointments Committee have proposed to offer the position to Clare James (current Managing Director of East Midlands Airport) and Lorraine Boorman current Chief Executive of Optima UK) who were exceptionally strong candidates. The National Assurance Framework states that LEP boards should consist of a minimum of 8 and maximum of 20 board directors. Subject to board approval of the Appointments Committee recommendation, this would increase the LLEP board directors to 19.
- 3.3 **The board is asked to recommend to the AGM the appointment of Clare James, Managing Director, East Midlands Airport and Lorraine Boorman, Chairman and Chief Executive, Optima UK as Private Sector Directors of the Board for approval.**

## **PAPER B**

### **For further information please contact:**

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