

THIS IS NOT A PUBLIC MEETING

North East Local Enterprise Partnership Board

Thursday 30 November 2023

17.00 – 18.30



AGENDA

1. **Welcome from the Chair and apologies** (5.00pm)
2. **Declarations of interest** (5.00pm)
3. **Minutes of the Board meeting on Thursday 28 September 2023** (5.05pm)
Board will be asked to agree the Minutes.
4. **Annual Delivery Plan update** - paper attached (5.10pm)
Helen Golightly to present to the Board.
5. **Fund management update** – confidential paper attached (5.30pm)
Paul Woods to present to the Board.
6. **Business Growth – Made Smarter project** - paper attached (5:45pm)
Colin Bell to present to the Board.
7. **Devolution update** (6:00pm)
Henry Kippin to update the Board
8. **Chair and Chief Executive update** - paper attached (6.20pm)
Lucy Winskell and Helen Golightly to update the Board
9. **Any other business** (6.25pm)
10. **Date and time of next meeting** - Thursday 25 January 2024 from 5pm

THIS IS NOT A PUBLIC MEETING

Annual Delivery Plan 2023/24

2023/24 is a year of transition. Our delivery plan for this year reflects this as we work towards the formation of a new Mayoral Combined Authority for the North East, in which the LEP's functions will be integrated.

The roles of the LEP set out by government are to:

- Embed a strong, independent and diverse local business voice into the North East Mayoral Combined Authority
- Carry out strategic economic planning in partnership with local leaders that clearly articulates the North East's economic priorities and sectoral strengths
- Continue to deliver a number of functions on behalf of government departments, shaped by the local business voice
- Monitor and assure existing local growth programmes and funds for which the LEP is responsible for.

This document is structured around these.



Embed a strong, independent and diverse local business voice into the North East Mayoral Combined Authority

Action	Update	Decision/ discussion point	RAG
Lead the transition of the North East LEP board into the governance structure of the new Mayoral Combined Authority, where it will become the Business Board. Ensure that sub boards and business-led groups are also reflected in the wider evolving governance where appropriate.	Two phase process. Once the new mayor is in place, discussions will take place around further evolution.		Green
Map and champion business priorities in line with the structure of the Devolution Deal, ensuring that critical projects identified in the Strategic Economic Plan are not lost.	The LEP executive team is working with the LEP Board and sub boards to feed into the developing NEMCA portfolios, as well as evaluating the SEP to feed into the NEMCA planning and priorities.		Green
Convene a business-led group as the route for the new governance structures to be informed, challenged and engaged with the business community at scale with representation from business cluster and membership organisations and the education and VCSE sectors to share knowledge as the devolution detail is developed and provide a two-way forum to feed into the emerging MCA's priorities	The business advisory board is now operational and has rationalised our sub boards to enable more effective feed into portfolio plans. The advisory board will feed into an investment plan session led by Sunderland City Council, with RSA and Andy Haldane on 5 Dec as part of the investment portfolio development.		Green
Conclude, report on, evaluate and share learning on processes and practices against the delivery of the North East Strategic Plan to inform and transfer knowledge to future economic planning.	Following initial scoping interviews with stakeholders and desk research, four areas of exploration -The role of the LEP; Capacity and capability; Evidence and insights; and partnership working - were selected. Engagement sessions with up to 80 stakeholders will take place at the end of November/early December and the report will be presented at the January North East LEP board.		Green
Update and adhere to the Assurance Framework which includes holding an Annual General Meeting.	The AGM will be held in Q4. The Assurance Framework is being amalgamated into the new NEMCA Assurance Framework for next year.		Green

Carry out strategic economic planning in partnership with local leaders that clearly articulates the North East's economic priorities and sectoral strengths.

Action	Update	Decision/ discussion point	RAG
<p>Prepare and disseminate a comprehensive evidence base that reflects the North East's economic performance and informs economic planning, investment, and prioritisation. Position the North East Evidence Hub as the go to platform to access and use this information.</p>	<p>In support of Our Economy, we have delivered a regional evidence base on inclusive productivity, including commissioning external research on international cases studies and working with an expert from Northumbria university to help sense check our data analysis.</p> <p>This evidence base is now live on the Evidence Hub. It includes a review of our key indicators published every year as part of Our Economy, spotlight pages on inclusivity productivity in the North East, findings from international case studies and the results from an AI generated exporters database.</p> <p>Our wider updating of the evidence hub has continued too, including updating our regional labour market page and more and better jobs targets, and adding pages that focus on the employment status of people with health problems, those aged 50 and over and adults from different ethnic groups. We also published a guest commentary piece on the insights from regional research into women led start-ups.</p>		Green
<p>Work with partners, including our universities, local authorities and national data bodies to analyse, develop research and share intelligence about the economy. This should complement current work programmes and ensure alignment into future priorities.</p>	<p>We have supported partners across the region with building an evidence base in support of Net Zero North East, including the development of an indicator dashboard and publishing a series of reports on the Evidence Hub with Net Zero data. These reports include green Jobs and businesses, waste and recycling, climate change attitudes, and access to services by transport.</p> <p>We continue to engage with networks across the North East and pan-regionally, including co-hosting the regional economic prospects group with the Bank of England and feeding into the Northern Evidence Network.</p>		Green

Continue to deliver a number of functions on behalf of government departments, shaped by the local business voice. The functions are summarised below:

Action	Update	Decision/ discussion point	RAG
Deliver and develop contracted/funded business support programmes and services including but not exclusively:			
North East Growth Hub Fulfil our funding commitment to government to: <ul style="list-style-type: none"> • Connecting businesses to the best support available from the private and public sectors. • To target support on those businesses with the opportunity, ambition and greatest potential to grow. • To gather on the ground business and economic intelligence to feed into ongoing policy development. 	The Growth Hub remains on target to meet contractual KPIs. The replatformed North East Growth Hub is now live. It provides improved functionality and includes filters by local authority area to simplify the user experience in response to varying UKSPF/North of Tyne offers across the region. We can see through analytics that there are fewer drop off sessions since the replatform, sessions are increasing month on month, and we have introduced a new call to action structure on each page that users are finding easier to navigate through.		Green
Made Smarter Deliver the £800k programme engaging with 75 manufacturers during 2023/24, in partnership with government and Tees Valley Combined Authority. The ambition of the programme is to increase digital adoption with advanced manufacturers.	Five cohorts totaling 50 companies, will be complete by the end of November. The target is to engage 70 businesses during 2023/24, with a further two cohorts to deliver in January. Manufacturing businesses are engaged in developing their digital roadmaps and £190,000 of the £350,000 grant fund has been committed and £106,000 defrayed. Ahead of the Autumn budget, and on the request of the Department of Business and Trade, a proposal has been submitted to HMG that if successful would double the project size to approximately £2million.	Note paper and presentation providing a project update.	Green
Innovation Launchpad £7.5million Innovate UK grant fund allocated to develop the North East Tech Cluster. Includes 100% funded grants up to £100k for SME's and 70% funded grants for larger collaborative projects up to £1million.	The first Launch Pad competition launched 30 Oct and closes 13 December, investing an initial £2million. A separate competition has been launched by Innovate UK to appoint a cluster development manager (£150k over two years)		Green

<p>Challenge North Tyne</p> <p>Deliver the £880,000 Challenge North Tyne programme in partnership with the Innovation SuperNetwork to enable 50 innovation projects to tackle the economic, environmental and social challenges through open and collaborative innovation.</p>	<p>Ortus Economic Research has completed an interim draft evaluation of the programme.</p> <p>The final report will be shared in January 2024 upon completion of the programme.</p>		Green
<p>Internationalisation</p> <p>Work with the Department for International Trade to mobilise international trade and investment activity, provision of local business intelligence, grant funding and levelling-up focused projects.</p>	<p>As devolution portfolios develop, consideration needs to be given to how best to incorporate internationalisation strategy as no current resource is available to progress.</p>		Red
<p>Provide local skills analysis through the Skills Advisory Panel</p> <p>The Skills Advisory Panel (SAP) aims to bring together local employers and skills providers to pool knowledge on skills and labour market needs, and to work together to understand, address and inform the LEP board, partners, and government about local challenges.</p> <p>The SAP will provide oversight of the delivery of regional skills, inclusion and progression programmes and projects and commission research into key skills challenges.</p> <p>We will work closely with the region's employer representative bodies (ERBs) to produce Local Skills Improvement Plans (LSIPs) in the production of LSIP and continue to commission research on specific localised challenges and opportunities.</p>	<p>SAP members received an update on the devolution timeline, emphasising the role of political leadership and the shadow executive in ensuring a seamless transition for five organisations into the new North East Mayoral Combined Authority (NEMCA). Data from the North East LEP's Skills Bootcamps was presented, sparking discussions on future areas of skills needs. The Board also received briefings from representatives of the pharma industry, East Durham College, and NHS on skills requirements in pharma, the Regional Health Skills Hub, and the Integrated Care Board. The North East Automotive Alliance also provided a concise update on LSIP/LSIF initiatives.</p>		Amber

<p>North East Ambition (including Careers Hubs)</p> <p>We will continue to champion and improve provision in good career guidance for each and every young person in the North East, by working with education and business.</p> <p>Through the North East Careers Hub, we will:</p> <ul style="list-style-type: none"> • Increase the number of schools and colleges engaged with us • Reduce the number of schools and colleges achieving fewer than three of the Good Career Guidance Benchmarks • Increase the average Benchmark score across the schools and colleges from within the North East Careers Hub <p>We will continue to deliver the Primary schools' programme, including a new DfE initiative 'Start Small, Dream Big' which focuses on careers related learning in primary schools.</p>	<p>Career Hubs</p> <p>Engagement with the schools and colleges within our Careers Hub is being maintained despite significant nationwide challenges around examinations, attendance, student mental health and staffing pressures. 100 careers leaders attended the regional conference and the number of schools and colleges engaged with the Hub increased from 162 to 176.</p> <p>SEND</p> <p>Hosted SEND conference for 50 career leaders. SEND coordinators and local authority colleagues.</p> <p>A new Targeted Transition Fund (TTF) project, was launched in September which will support 150 young people with SEND and on Free School Meals to access additional careers guidance.</p> <p>Gatsby Benchmarks</p> <p>Data for term one 2023/24 data will be available January 2024.</p> <p>Primary</p> <p>110 primary schools are now in the core network, representing a growth of 30 schools in this academic year. 45 have developed action plans for the current academic year.</p> <p>Of the 75 schools in the Start Small, Dream Big pilot, 80% are matched with an employer and 21 have already joined our core network, indicating that they plan to continue with career-related learning beyond the pilot. There are plans in place to onboard the remaining 54 schools.</p>		Green
<p>Enterprise Adviser Network</p> <p>We will champion the Enterprise Advisor Network and Education Support Partnerships by increasing the number of EAs, working strategically with schools and colleges in the North East Careers Hub.</p> <p>We will ensure a minimum of 45 SMEs receive support to engage with education.</p>	<p>The North East EAN has 214 members interested in supporting and engaging with schools and colleges. 171 members of the network are in a partnership matched with education.</p> <p>Following a successful EA recruitment campaign where 201 Eols were received, a further 13 businesses are now engaging with education and 19 are currently going through the application process. Development work continues.</p> <p>Achieved over 100% of project profile for number of SMEs supported to engage with education. We are on track to meet 100% of profiled completions by end of December.</p>		Green

<p>Removing Barriers to Digital Inclusion</p> <p>Working with the Digital Alliance we will begin to find ways to deliver a regional strategy to remove barriers to digital inclusion and support progression towards a set of minimum standards.</p>	<p>The template business case, for use by external stakeholders, is being refreshed, with links updated and will be shared by the end of 2023.</p>		<p>Amber</p>
<p>Positive outcomes</p> <p>We will continue to support education institutions with bespoke programmes to support careers leaders, teachers, school leaders, governors, employers and other stakeholders to work collaboratively to ensure positive destinations for all young people.</p>	<p>The Teacher Encounters project, evaluated nationally, revealed a 95% improvement in skills for engaging with employers among participants. Additionally, 92% reported enhanced curriculum development relevant to the workforce.</p> <p>Our Creative and Cultural showcase, attended by five schools and 250 students, facilitated engagement with employers from the creative and culture sector for informed GCSE choices.</p> <p>On 12 October, a North East Employer lunch and learn session, in collaboration with Inspiring Governance, aimed to encourage new governors. In September, a three-day LMI CPD 'safari' hosted 192 career advisors, providing industry insights through physical and virtual employer visits across 9 local businesses. The focus was on digital, advanced manufacturing, and health and life sciences sectors, highlighting opportunities for young people.</p>		<p>Green</p>

Action	Update	Decision/ discussion point	RAG
<p>Technical Education</p> <p>Collaborate with employers and sector groups to enhance the talent pipeline, bridging the gap between education and employment. Implement the #apprenticesReady vision to increase demand for apprenticeships and T-level industry placements, while ensuring high-quality technical pathways to priority sectors.</p> <p>Support T-level expansion and alignment with higher technical qualifications</p>	<p>In October, we secured DfE funding for the Early Connect UCAS Apprenticeship Pilots and have surpassed school engagement targets by 45%. Research on SME engagement and apprentice levy in the North East is underway. A program with five of seven LA Human Resource and Economic Development leads supports apprenticeships.</p> <p>For T-Levels, we hosted the first regional government event attended by all seven departments and regional providers. A practical guide for Industry Placements, created from employer focus groups, is now available. The Gatsby Foundation recognised our T-Levels involvement with funding for ongoing support. Our promotion during T-level week resulted in a Look North feature.</p>		<p>Green</p>

<p>Skills Bootcamps</p> <p>Deliver the £10m Skills Bootcamps project, funded by the Department for Education to support 2,150 learners to train in jobs of the future.</p> <p>Delivery will include completion of wave three, which is focused on green skills and wave four, which extends to include green skills, technical skills, pathways to accelerated apprenticeships, supporting the education, training and learning workforce, people and management skills.</p>	<p>Wave 3 Skills Bootcamps – Grant award value £2.4m</p> <p>Wave 3 Skills Bootcamps is approaching completion and the position in October 2023 is:</p> <ul style="list-style-type: none"> • 802 participants (127% contract allocation) • 732 successful completions (92% against 80% KPI) • of which 650 have achieved a successful outcome (81% against 75% KPI) • 137 businesses engaged <p>Wave 4 Skills Bootcamps – Grant award value £7.4m</p> <p>Wave 4 Skills Bootcamps delivery is on target; confirmed learner starts at October 2023 is 34% of the overall target. To date 762 individuals have enrolled on a Skills Bootcamp, 497 have completed the upskilling training programme with 407 have successfully progressed – either securing a job, a new role with their existing employer or new contracts if self-employed.</p> <p>Procurement of the remaining funds, £1.9m, is in the final stages and details of the contracted suppliers will be announced in due course.</p> <p>Wave 5 Skills Bootcamps – proposal value c £17m</p> <p>For FY 2024-2025, one proposal (circa £17m and 5356 individuals engaged) has been submitted to DfE for the delivery of Skills Bootcamps across the NEMCA region. The proposal builds on the Skills Bootcamps delivered by NTCA and North East LEP over the last two years and will commence April 2024. Commissioning will form part of the NEMCA Skills Framework due to be launched by NTCA end of November 2023.</p>		<p>Green</p>
---	---	--	---------------------

Action	Update	Decision/ discussion point	RAG
Monitoring and assurance of existing local growth programmes and funds for which the LEP is responsible for. Funds include:			
<p>The Local Growth Fund</p> <p>To ensure full expenditure of the residual £5.5m 'swapped' funding in 2023/24 and continue to monitor and report on the performance of over 30 live projects to their conclusion</p>	<p>Quarter Two project monitoring forms have been returned with progress reported to the Investment Board on the 16 November. Expenditure in quarter two was £856,072, total spend to date is 39.3% of the annual budget. Three projects fully completed in Q2, leaving 25 subject to ongoing monitoring as the programme tapers to completion. Biannual monitoring returns submitted to government.</p>	<p>A couple of projects are slipping into Q4, but still expect to fully spend in 23/24, potential underspend on inward investment fund that should become clearer in Q3.</p>	Green
<p>The Getting Building Fund</p> <p>To ensure full expenditure of the residual £1.4m 'swapped' funding in 2023/24 and continue to monitor and report on the performance of 19 live projects to their conclusion.</p>	<p>Quarter two monitoring forms have been returned with progress reported to the Investment Board on the 16 November. Expenditure in quarter two was £809,428, total spend to date is 91% of the annual budget. 19 projects continue to be subject to monitoring, only one project has GBF grant left to claim. Biannual monitoring returns submitted to government.</p>	<p>Although 287 jobs have been reported to date against an annual target of 439, lifetime job numbers by 31/3/25, are still likely to remain well below original targets due to both project delays and withdrawals.</p>	Amber
<p>Enterprise Zone Programme</p> <p>To oversee continued investment of £20m across 21 EZ sites, to increase generation of Business Rate Income to the region.</p>	<p>Quarter two expenditure was £3.3m. Forecast expenditure for the year has been reduced to c£9m reflecting delays in the commencement of further phases of investment on IAMP and Jade Business Park.</p> <p>An application by the Port of Tyne for further infrastructure works funding at Tyne Dock is being considered at the Investment Board on 16 November.</p>		Green
<p>The North East Investment Fund</p> <p>Includes the Commercial Property Investment Fund and the North East Property Fund performance monitoring of external contracts and also ongoing monitoring of the repayment of existing loans from the NEIF made in previous years.</p>	<p>A report to the Investment Board on 16 November is planned to discuss revised terms and actions on an existing project that is facing serious financial challenges.</p> <p>A bimonthly update on the performance of the CPIF scheme has been received.</p>		Green

<p>Regional Access to Finance Lead the Regional Access to Finance development work</p>	<p>Work continues with regional partners on the development of the follow-on fund to the North East Fund Ltd.</p>		<p>Green</p>
---	---	--	---------------------

Date: 30th November 2023

Item 6 - Made Smarter Project Update

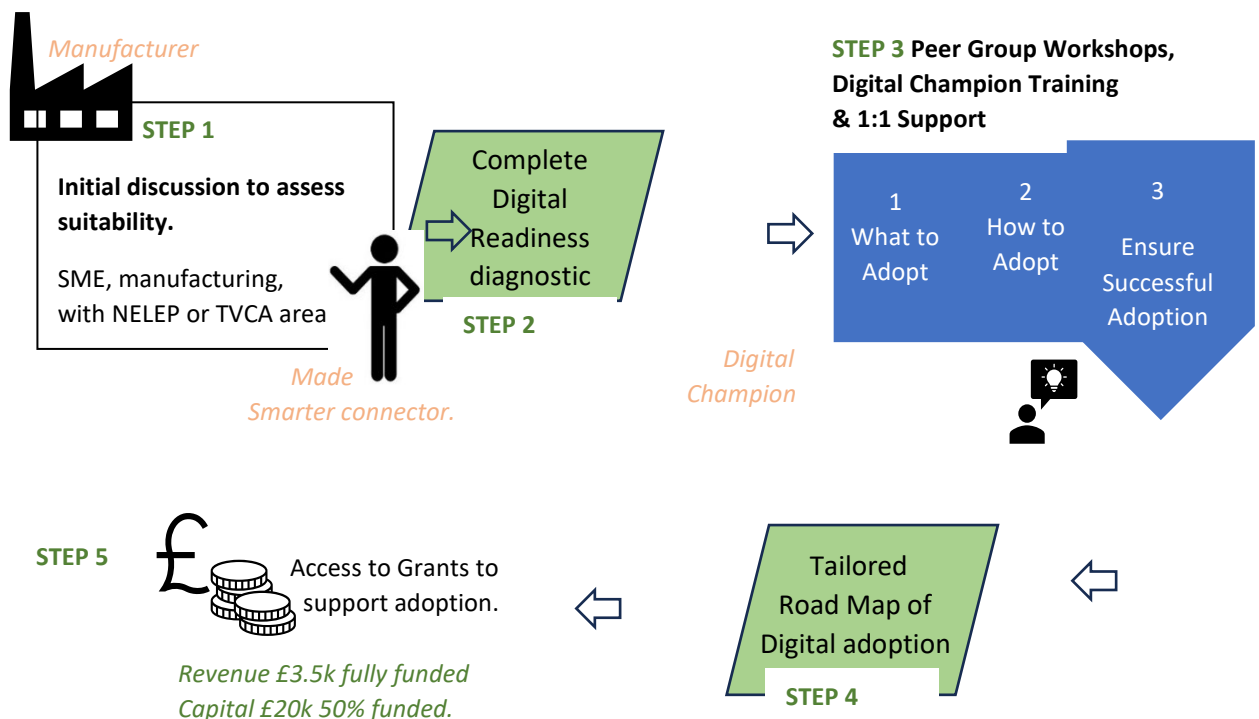
1.0 Background

Funded by the Department of Business and Trade, Made Smarter is part of a national movement to drive growth amongst UK manufacturers and advance the UK economy. Its aim is to improve adoption of smart technologies to boost productivity performance and competitiveness.

The scheme was piloted in the North West in 2019 and rolled out across 5 areas of the UK, which are the North West, North East (including Tees Valley), Yorkshire and the Humber and the West and East Midlands in 2021.

The North East LEP leads the delivery of the North East Made Smarter programme in partnership with Tees Valley Combined Authority. The North East programme has been awarded £2.4m million for three years ending in March 2025.

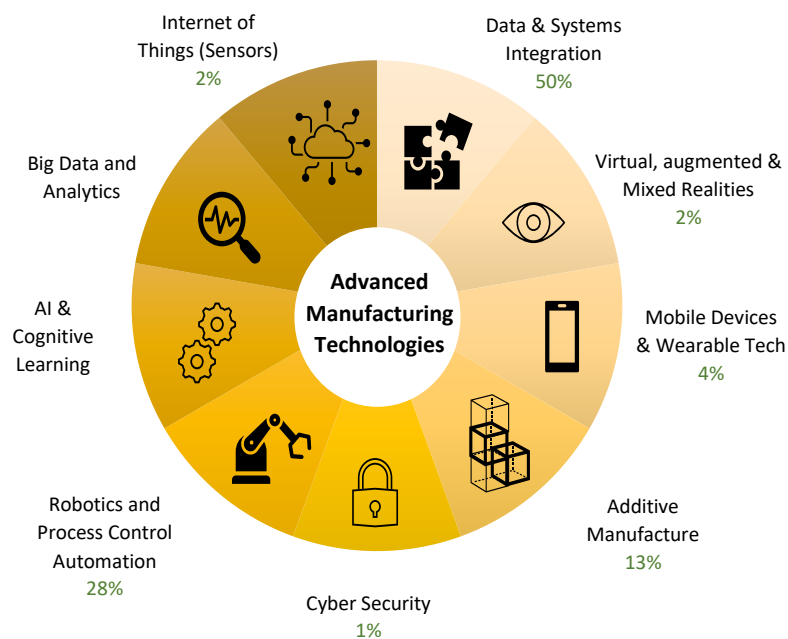
2.0 Made Smarter NE Customer Journey



3.0 Successes So Far

- Over 300 manufacturing companies have engaged with advisers to discuss starting their digital journey.
- 100 companies have completed a diagnostic to assess their digital readiness level.
- 100 companies have identified a digital champion and completed training to support their digital roadmap development.
- 60 companies have accessed £525k of funding to help them to adopt Smart Technology.
- At this point of the year the Department for Business and Trade have confirmed that the North East are currently the only area to be on or ahead of target for delivery.

4.0 What are the Emerging Technologies adopted?



It can be noted that most of the grants to date have focused on handling, analysing, and integrating data. This is to be expected for SMEs at the start of their digital adoption journey.

As companies progress along their 'Smart Factory' roadmap we would expect them to expand and advance their technology adoption. Currently businesses who have already benefited from Made Smarter cannot be re-engaged meaning that alternative options may be needed to support the advancement of technology adoption into the future.

4.0 The Future of Made Smarter?

Ahead of the Autumn budget, and on the request of the Department of Business and Trade, a proposal has been submitted to HMT that if successful would increase the annual budget to £2million from £800k. An announcement is expected on this in the Autumn statement.

5.0 Recommendation

The board is asked to recognise the progress and success to date. a

30 November 2023

Item 8: Chair and Chief Executive Update

1.0 Background

1.1 The Chair and Chief Executive would like to provide an update to Board Members on some of the discussions and meetings that they have been involved in since the last Board meeting in September.

2.0 Chair's key meetings and discussions

2.1 Since the last Board meeting on the 28 September 2023, the LEP Chair has been involved in a variety of meetings and discussions as outlined below:

- Regular meetings with the North East LEP CEO;
- Developing Consensus meeting;
- North of Tyne Combined Authority Cabinet meetings;
- Hosted the Devolution Business Briefing session at the Sunderland Hope St Xchange;
- Guest of North East England Chamber of Commerce - Keir Starmer lunch;
- Chaired Our Economy event.

3.0 Chief Executive's key meetings and discussions

3.1 Since the last Board meeting, outside of the internal and external 'business as usual' and project meetings, the Chief Executive has been involved in a number of meetings that continue to move the regional economic growth agenda forward. These include:

- Meetings with the LEP Network;
- Meetings with government officials;
- North East Devolution Operational Transition Board;
- Mobilising NEMCA Operations meetings;
- NEMCA shadow exec weekly meetings;
- Devolution Team Briefing sessions;
- Our Economy event.

4.0 Recommendation

4.1 The Board is recommended to note the report.