

THIS IS NOT A PUBLIC MEETING

North East Local Enterprise Partnership Board



Thursday 17 March

17.00 – 19.00

AGENDA

Item 5 is confidential as the paper contains commercial information relating to the financial or business affairs of a particular person or organisation and is not for wider circulation.

1. **Welcome from the Chair and apologies** (5.00pm)
2. **Declarations of interest** (5.00pm)
3. **Minutes of the last Board meeting held on Thursday 27 January 2022** (5.05pm)
Board will be asked to agree the Minutes.
4. **Looking back 2021/2022 – End of Year Review** - paper attached (5.10pm)
Helen Golightly to present to the Board.
5. **Funding decisions and update** - **confidential** paper attached (5.25pm)
Paul Woods to present to the Board
6. **Levelling Up White Paper briefing** – paper attached (5.40pm)
Richard Baker to present to the Board
7. **Green Skills Bootcamps** – paper attached (6.00pm)
Michelle Rainbow to present to the Board
8. **Devolution update** – (6.20pm)
Henry Kippin (NTCA) and Patrick Melia (NECA) to present to the Board
9. **LEP Board Membership** – paper attached (6.40pm)
Helen Golightly to present to the Board
10. **Chair and Chief Executive update** - paper attached (6.50pm)
Lucy Winskell and Helen Golightly to update the Board.
11. **Any Other Business** (6.50pm)
12. **Date and time of next meeting - Thursday 19 May 2022 from 5 - 7pm**

Item 3 Minutes of the Board meeting held on 27 January 2022

North East Local Enterprise Partnership Board

27 January 2022

Meeting held via Microsoft Teams

Present

Lucy Winskell	Chair, North East LEP
Gillian Hall	Gillian Hall Consulting Limited
Ammar Mirza	AmmarM (UK) Limited
Andrew Moffat	
Heidi Mottram	Northumbrian Water Group
Mayor Redfern	Mayor, North Tyneside Council
Ellen Thinnesen	Sunderland College
Chris Day	Newcastle University
Carol Botten	VONNE
Mark Thompson	Ryder Architecture

Officers

Helen Golightly	CEO, North East LEP
Richard Baker	LEP Director of Strategy and Policy
Nicola Laverick	LEP Programme Manager
Alan Welby	Innovation Director
Paul Woods	Finance Officer, NTCA
Katy Laing	Finance officer, NTCA
Janice Gillespie	S73 Officer, NTCA
Brenda Joyce	Democratic Services

1 WELCOME FROM THE CHAIR AND APOLOGIES

The Chair, Lucy Winskell, welcomed everyone to the meeting.

Apologies were received from Kate Wickham, Erika Leadbeater, Cllr Miller, Cllr Dixon, Cllr Wearmouth, Cllr Hopgood, Cllr Forbes, Cllr Gannon and Mayor Driscoll.

Helen Golightly pointed out that the meeting was not quorate and therefore the meeting would need to be followed up by the Written Representation Procedure as set out in the Constitution.

Subsequently email clarification was received on 3 February confirming all members' agreement through the written resolution procedure to confirm the decisions made at Board (as below).

Lucy Winskell placed on record her thanks to Helen Golightly and the Executive Team for a very successful AGM.

2 **DECLARATIONS OF INTEREST**

As an employee of Northumbria University, Lucy Winskell declared an interest in two of the Development Pipeline Projects - Northumbria Space Technology Laboratory (C) and Integrated Health and Social Care Facility (C) – as the lead organization for both was the university.

Mark Thompson declared an interest in Netpark, Giants on the Quayside, Bedlington Town Centre, Gateshead Quays, Gilbridge and Biosphere 2.

3 **MINUTES OF THE LAST BOARD MEETING HELD ON THURSDAY 2 DECEMBER 2021**

The minutes of the last meeting held on 2 December 2021 were agreed as a correct record.

Heidi Mottram updated the Board on conversations she had had with the seven local authority Leaders, North of Tyne Mayor and seven local authority Chief Executives since the last meeting around the proposed regional approach to collaborating on the net zero agenda. Discussions had been positive based on establishing a similar model to that used for the North East Cultural Partnership. She was speaking to the Leaders again on 7 February for formal consideration, after which the details would need to be worked through.

4 **ANNUAL DELIVERY PLAN PROGRESS UPDATE**

This report provided a summary of the progress against the Annual Delivery Plan 2021/22 and highlighted points to note since the last meeting.

The report highlighted matters in relation to: Business Growth; Innovation; Skills, Employment, Inclusion and Progression; Transport; Investment and Infrastructure; Strategy and Policy; and Communications. The full programme delivery update was attached to the report as Appendix 1.

During the discussion on the report the following comments and points were raised:

- The Chair commented that the Annual Delivery Plan was another demonstration of a good positive story.
- The report illustrated that there were ten things complete but 137 still in progress to the year end. This seemed a huge number to complete before the end of the financial year. It was suggested that it perhaps should not be so back-end loaded. Helen Golightly agreed to take this away and bring something back to the next meeting of the Board.
- The Chair and Chief Executive had attended a recent formal annual performance review with colleagues from BEIS. Performance was considered against three criteria – governance, delivery and strategy. This was now assessed with a pass/fail criteria against the three topic areas and the North East LEP had passed all three categories again this year. The meeting tended to be an informal conversation around how the organisation was operating and provided the opportunity to discuss current issues.

- At the meeting the LEP was encouraged to expect the Levelling Up White Paper, but now intelligence suggested it would not be available until mid to late February.
- An extra informal Board meeting to discuss the White Paper and the LEP Review would be useful before the next formal meeting. Devolution was also tied in with this.

RESOLVED – That the Board noted the contents of the report and Appendix 1.

5 STRATEGIC ECONOMIC PLAN - NEXT STEPS

The Board received an update on the delivery plan setting out the progress against the five Strategic Economic Plan (SEP) programmes and the performance against planned targets since the 2019 refresh.

At its meeting in September 2021, the Board noted that early 2022 was the previously planned time window to update the Strategic Economic Plan (SEP) for the final two-years of the ten-year SEP period (2014-2024). This timeline to update now was driven by the current three-year SEP programmes' delivery period ending in December 2021 and the need to develop the next Annual Delivery Plan for 2022/23 which would include new SEP Programmes' interventions. It was also noted that as the economy moved out of controls, that this would be a good time to reflect on changes triggered by the EU Exit, COVID-19 and other government policy and economic changes to ensure delivery was appropriately targeted.

The Board also noted in September that now would be the right time to start to plan for a strategic regional plan beyond the current SEP (post 2024). This would provide an opportunity to consider not only the range of economic and policy changes which were occurring, but also to look systematically at longer term change in the economy and consider the impact of our research, data and evaluation work.

During the discussion on the report the following comments and points were raised:

- The terminology of 'Knowledge Intensive Services' sounded jargonistic and could apply to all sectors although the rest of the paper was easy to understand. The terminology also suggested that everything else was not knowledge intensive which was demeaning for everyone else taking the economy forward.
- It was clarified 'Knowledge Intensive Services' was recognised in academia but the definition here was about differentiating between those aspects of the service sector which were not knowledge led or subject to trade and export.
- It was accepted that Members were uncomfortable with the language and this could be looked at. However, as this was a recognised terminology in the LEP/BEIS world it would help to have a bit more of an explanation on page 10 to help stakeholders. The Chair suggested thinking about the audience and what would be acceptable.
- On a formatting issue, page 11 detailed text followed by graphics which repeated the information. It was suggested that the text be removed rather than duplicating throughout.

RESOLVED – That the Board agreed to:

- i. **Note the contents of this paper and comment on the progress to date and next steps;**
- ii. **Endorse the draft updated Executive Summary in appendix one noting the proposed structural developments identified in 2.2 above.**

6 FUNDING DECISIONS AND UPDATE

This report was confidential as it contained commercial information relating to the financial or business affairs of a particular person or organisation and was not for wider circulation.

This report was in three parts: Part A set out a position on Enterprise Zone (EZ) surpluses including the expansion of the Inward Investment North East England grant; Part B provided a summary of funding decisions taken under delegation since the last Board meeting; and, Part C provided an update on the Getting Building Fund (GBF), Local Growth Fund (LGF), Project Development Accelerator Fund and the latest on the DLUHC Annual Performance Review of the North East LEP.

Paul Woods advised that an update report had been circulated focusing on one project and included a schedule on the budget and some updated figures on the EZ income.

During the discussion on the report the following comments and points were raised:

- Section 4.2 of Appendix 1 talked about a difference of £36million between prudent assumptions used in the model at the moment and the numbers that the OBR had arrived at.

RESOLVED – That the Board agreed:

- 1) **To approve the recommendations set out in the EZ Surpluses Report in Appendix 1 that have been endorsed at the Investment Board meeting on 17 January 2022.**
 - a) **To note the outcome of the Business Rates' review and the latest forecast position on the BRGI income and Capital Financing in the EZ Financial Model.**
 - b) **As a result of the updated cashflow forecasts for the EZ surplus income, the previously agreed in-principle uses of the EZ surplus were fully agreed subject to sufficient actual income levels being available. These were:**
 - i. **The Board previously agreed to pay Gateshead Council a performance reward incentive linked to the Follingsby site. It was proposed that the previous indicative figure of £950k per annum was revised following updated forecasts of income levels and discussions with Gateshead Council, with an updated figure being presented to the LEP Board.**
 - ii. **Up to £10m contribution to the Commercial Property Investment Fund (CPIF), with £5m to be approved now for the first phase of the CPIF.**

- iii. Up to £5m contribution to the North East Inward Investment Grant fund, replacing NEIF funds (that had to be repaid by councils).
 - c) The implementation of three EZ specific incentive options that could use EZ surpluses, discussed in section 5 of this report is placed on hold.
- 2) In the context of the above EZ surpluses report, to approve the recommendations set out in Appendix 2 on the Inward Investment North East Grant to:
- Increase the Inward Investment North East grant budget from £2m to £7m using EZ Surpluses and to note the revised forecast expenditure and performance targets in Appendix 2.
 - Withdraw the remaining £4.5m NEIF loan fund allocation to the Inward Investment Grant budget.
 - Adopt the operational guidelines as set out in Appendix 1 to Appendix 2.
 - Note the current status of live enquiries and trends set out in Appendix 3 to Appendix 2.
 - Delegate to the Chief Executive, in consultation with the NTCA Monitoring Officer, any operational adjustments that may be required to remain compliant with the UK Subsidy Controls when these are enacted.
 - Receive an annual performance update report.
- 3) Note the positive indicative North East LEP Annual Performance Review assessment in by DLUHC para. 8.1 and receive a verbal update.
- 4) Note the further project grant allocations approved under the Project Development Accelerator Fund in para.4.1 Table 1.
- 5) Note that the GBF budget allocation of £23.5m in 2021/22 remains forecast to be fully spent in year (see para 6.2).
Note the updated paper circulated today.

7 **UPDATED 2021/22 REVENUE BUDGET AND INDICATIVE 2022/23 REVENUE BUDGET**

This report was confidential as it contained commercial information relating to the financial or business affairs of a particular person or organisation and was not for wider circulation.

This report provided an update to the Board on the North East Local Enterprise Partnership (North East LEP) revenue budget position for the current financial year (2021/22), and an indicative budget for the next financial year (2022/23). The report also provided an updated budget position in relation to the Enterprise Zone account, and an update on the Local Growth Fund (LGF), the Getting Building Fund (GBF) and the North East Investment Fund (NEIF).

During the discussion on the report the following comments and points were raised:

- In respect of the recommendation to approve the increase to the percentage of Local Growth Fund (LGF) project management costs from 2.5% to 2.8% over the life of the LGF Scheme, it was clarified that this was driven by some

significant projects requiring ongoing project management costs. With £800k of uncommitted balance of LGF had provided headroom to meet the cost.

- The Chair advised that the report had been taken to the NTCA earlier this week with no issues being raised.

RESOLVED – That the Board agreed to:

- i. **Note the positive Budget outturn position for 2021/22.**
- ii. **Note the indicative Budget for 2022/23, with an update on the 2022/23 Budget being reported to the LEP Board in May along with a three-year estimate.**
- iii. **Approve the increase to the percentage of Local Growth Fund (LGF) project management costs from 2.5% to 2.8% over the life of the LGF Scheme.**
- iv. **Note the estimated end of year position of the Enterprise Zone account, which would be updated when income projections were received from all councils.**

8 INNOVATION PROJECT PIPELINE UPDATE

This report was confidential as it contained commercial information relating to the financial or business affairs of a particular person or organisation and was not for wider circulation.

A new call to refresh the project pipeline was launched in Summer 2021. In response to the call 51 project expressions of interest were received from a variety of organisations across the region. These projects were evaluated by the North East LEP to form a draft pipeline which was reviewed by an external panel (including representatives from both combined authorities) and Local Authority Economic Directors. The proposed innovation pipeline had been endorsed by the Innovation Board.

Of the 51 projects received, 30 were capital projects, 20 of which had a revenue element, with a combined public funding need of £861.5 million, and the remaining 21 projects were revenue projects with a public funding need of £17.6 million.

Projects were put forward by sector organisations, education institutions, private companies and local authorities across all seven of the local authority areas. The projects were representative of the advanced manufacturing, digital, energy and health and life sciences sectors, with skills and business growth projects also included in the mix.

All 51 Expressions of Interest (Eols) had been subject to a thorough, multi-stage evaluation process. Firstly, evaluated independently by two members of the North East LEP team, one being a member of the Innovation Team and the second being a member of another programme or the Sector Team depending on the focus of the project

The Innovation Pipeline was intended to be fluid and consequently projects could shift up or down over time according to how they developed, and new projects could also enter the pipeline as they emerged.

During the discussion on the report the following comments and points were raised:

- The Chair of the Innovation Board thanked the team for the amount of work that had gone into this. It was really useful that there were now some private sector organisations participating and she was very pleased with the outcome of this particular call.
- The Chair of the Board commented that this was a helpful, clear and informative paper.
- On emerging markets, seven market areas had been identified. The findings would go to the sub-boards in advance of coming to the next full Board meeting. There would be a suite of reports and this was a really importance piece of work.

RESOLVED – That the Board agreed to:

- i. **Note the approach to identifying and evaluating innovation projects**
- ii. **Review and endorse the proposed innovation pipeline**
- iii. **Review and endorse the proposed approach to ongoing engagement with the projects**

9 CHAIR AND CHIEF EXECUTIVE UPDATE

Noted.

10 ANY OTHER BUSINESS

The Chair said she hoped that an additional informal meeting of the Board could be convened on the publication of the Levelling Up White Paper and it would also be good to get a steer on the current devolution discussions.

Mayor Redfern advised that there had been a discussion last week and there was an agreement that this would be moved forward. There was a presentation with the Leaders and Mayors scheduled for 31 January on the current position and the ask of government.

11 DATE AND TIME OF NEXT MEETING

Thursday 17 March 2021 from 5:00 – 7:00pm

17 March 2022

Item 4: Looking back 2021-2022 – End of Year Review

1.0 Background

- 1.1 This report sets out the progress we have achieved to date against the Annual Delivery Plan for 2021/22.
- 1.2 The End of Year Review is produced on a yearly basis in accordance with requirements that were set out in the Government's 2018 policy paper 'Strengthening Local Enterprise Partnerships' and must be submitted to Government to show progress. The deliverables that we set in these documents are aligned with the programmes of delivery in the North East Strategic Economic Plan (SEP).

2.0 Looking back at our progress

- 2.1 The End of Year Review, attached as appendix one, provides a summary of what we said we would deliver in the Annual Delivery Plan for 2021/22 and reports progress against each action. The Annual Delivery Plan for 2021/22 was signed off by the Board in May 2021 and can be found at:
<https://www.northeastlep.co.uk/wp-content/uploads/2021/06/Annual-Delivery-Plan-202122.pdf>.
- 2.2 The End of Year Review 2021/22 will be subject to a few minor changes as we await final quarter 4 information particularly from the funding streams. The Board is therefore asked to delegate approval to the Chief Executive to agree minor updates and amendments before the document is submitted to Government to ensure it is accurate at the year end.
- 2.3 In addition to the formal report, we publish an Annual Review which is an outward focussed document for partners. This year's draft is attached as appendix two. The draft is still to have a final proof and awaits some final year-end figures but is attached for review and comment.

3.0 Looking forward to 2022-2023

- 3.1 The Annual Delivery Plan for 2022-2023 is currently being prepared by the executive team and will be shared at the May Board meeting. It will set out what we intend to deliver this financial year from April 2022 to March 2023. We anticipate having to undertake a similar flexible approach to delivery that we had during 2021/22 as we continue to work our way through economic recovery in the North East.

4.0 Recommendations

4.1 The Board is recommended to:

- (i) Agree to delegate authority to the Chief Executive to make minor updates and amendments to the End of Year Review 2021/22 document prior to it being submitted to Government,
- (ii) Note the final End of Year Review 2021/22 document will be published on the North East LEP website,
- (iii) Comment on the draft Annual Review, noting there is still a final proof read and year-end figures to be incorporated.

5.0 Appendix

5.1 Appendix one – End of Year Review 2021/22

Appendix two – Annual Review 2021/22

North East
Local Enterprise Partnership



End of year review 2021/22



End of year review 2021/22 – The five North East Strategic Economic Plan programmes

Business and Sector Growth: Business Growth

Key deliverables – what we will deliver between April 2021 and March 2022

Progress

Raise levels of business growth and ambition.

Deliver ongoing communications activity to encourage business engagement with the North East Growth Hub and to inspire businesses to start and grow their businesses. The communications activity will deliver 17,850 light touch interventions.

Through organic, digital marketing and our triage team we delivered a total of x light touch interventions.

Increase demand for external business support and finance.

Increase the capacity of the North East Growth Hub to deliver:

- 915 medium intensity interventions
- 580 high intensity interventions to businesses with scaleup potential

This support will deliver:

- 750 additional jobs, of which 490 will be better jobs
- 21.9 million additional GVA

We increased our team of Growth Hub Connectors from four permanent members of staff to nine.

The North East Growth Hub delivered:

- x medium intensity interventions
- x high intensity interventions to businesses with scaleup potential

This high intensity support delivered:

- x additional jobs, of which x are better jobs
- x million additional GVA

These interactions achieved a customer satisfaction rate of %.

Introduce a triage team to service inbound enquiries and carry out outbound lead generation and intelligence gathering activities.

We formally established a triage team with two advisers.

The triage team have delivered xx outreach calls to encourage business engagement with the North East Growth Hub and gather intelligence. This activity generated xx appointments for the Connectors and xx North East Growth Hub newsletter sign ups.

Integrate the sector teams and sector delivery plans with the North East Growth Hub.

Each Growth Hub Connector was assigned a sectoral responsibility. Significant activity has been taking place across each of our priority sectors to deepen relationships with businesses and to gather intelligence on their needs and opportunities which is being fed into steering groups. This approach is also increasing the uptake of business support by businesses in priority sectors and identifying ways in which they can contribute to sector strategy.

<p>Introduce a new approach to business segmentation, diagnostic and brokerage that better identifies and focuses on account management through the Growth Hub Connectors and scaleup partners, with the businesses who can deliver impact.</p>	<p>We undertook a project to introduce a new segmentation, diagnostic and brokerage model in partnership with Tees Valley Combined Authority. The new segmentation and diagnostic tool has been procured and will be live in the new financial year. It will help identify businesses with the greatest potential for growth more effectively. There is commitment to working with external partners to streamline the customer journey for businesses who get support from the Growth Hub and then get further support from other providers - we want to improve the account management process.</p>
<p>Ensure the supply of external business support and finance matches the needs of businesses and the economy</p>	
<p>Work with government and regional partners to support the development of, and transition to, a new business support and sector development landscape.</p>	<p>We continue to work closely with the North East Business Support Provider Network - a forum bringing together North East business support providers so there is a collective voice to inform strategy and policy, share best practice, and raise challenges and opportunities across the region. The Provider Network is led collaboratively by the Provider Network Steering Group, which is made up of representatives from across the region and the business support eco-system.</p> <p>To support the development of transition into a new funding landscape the North East Business Support Provider Network presented a joint letter to Rt Michael Gove Secretary of State for Levelling Up Housing and Communities making recommendations on the development of the UK Shared Prosperity Fund. This included a series of case studies to demonstrate the region's extensive experience and expertise in delivering European funded projects to help inform and shape future funding.</p>
<p>Work with government and regional partners to support the development of, and transition to, a new business support and sector development landscape.</p>	<p>We continue to work closely with the North East Business Support Provider Network - a forum bringing together North East business support providers so there is a collective voice to inform strategy and policy, share best practice, and raise challenges and opportunities across the region. The Provider Network is led collaboratively by the Provider Network Steering Group, which is made up of representatives from across the region and the business support eco-system.</p> <p>To support the development of transition into a new funding landscape the North East Business Support Provider Network presented a joint letter to Rt Michael Gove Secretary of State for Levelling Up Housing and Communities making recommendations on the development of the UK Shared Prosperity Fund. This included a series of case studies to demonstrate the region's extensive experience and expertise in delivering European funded projects to help inform and shape future funding.</p>
<p>Continue to lead the North East Growth Hub Cluster and work closely with government to support the development of the national Growth Hub network.</p>	<p>We have delivered cluster initiatives with Tees Valley Combined Authority including project development on Made Smarter and Peer Networks, business-facing workshops on EU Exit and Net Zero (which achieved a customer satisfaction score of x%), training for our adviser, and we commissioned the development of an online segmentation and diagnostic tool.</p> <p>Through weekly national meetings, we have provided a sounding board to government on the development of policy and strategy and worked on national projects to align services delivered by Growth Hubs, the Department for International Trade and Innovate UK.</p>
<p>Deliver 26 government funded Peer Networks to support approximately 280 businesses to improve their productivity performance.</p>	<p>We reduced the number of Peer Network cohorts we were required to deliver by five at the end of quarter three due to changes in the Made Smarter programme and external suppliers failing to recruit within the timeframe. The 21/22 programme supported 241 businesses across 21 cohorts.</p> <p>These interactions achieved a customer satisfaction rate of 95%.</p>

<p>Expand the North East Growth Hub's Growth through Mentoring programme with the aim of supporting 100 businesses to unlock their growth potential.</p>	<p>Mentoring support has primarily been delivered through Peer Network and High Potential Startups activity this year. The Connectors have provided up to four hours of one-to-one support for xx participants on the programme. Mentoring has been prominent in all our delivery programmes, but specifically the Growth through Mentoring programme has re-engaged with mentors, attracting new mentors from across the region making x matches. Recognising the role mentoring plays in leadership development, we have expanded the Growth through Mentoring offer and developed a cross-company mentoring programme to support large businesses to access external mentoring. Working with Newcastle Building Society, Northumbrian Water and Learning Curve, the first matches have been made.</p>
<p>Work with sector teams to ensure the business support ecosystem meets sector specific firm level needs.</p>	<p>Work has been undertaken across each sector to understand the specific challenges, barriers and opportunities that businesses are facing at different stages of development. The intelligence gathered is being presented to our private sector-led strategy boards during Q1 2022/23 and will be used to strengthen the sector development strategy to ensure that the region can capitalise on market drivers.</p>
<p>Deliver 11 Local Growth Fund Cluster Development Fund projects.</p>	<p>The North East LEP invested £240k Local Growth Funding into 12 projects that applied for the Cluster Development Fund. All projects were designed to support the economic recovery and collectively supported 313 businesses. Projects included:</p> <ol style="list-style-type: none"> 1. Advanced Manufacturing Forum – Making Owt 2. Collingwood Solutions – Semiconductor Cluster 3. Durham Culture Partnership 4. Dynamo – Office for Rapid Cyber Security Advancement 5. Entrepreneurs' Forum – Digital Delivery 6. Food and Drink North East - COVID-19 Business Support 7. North East Automotive Alliance – EV North 8. NEPIC – Pharmaceutical Innovation Accelerator 9. NGI – International Capacity of the Visitor Economy 10. Sunderland Software City – Creating Capacity in the Digital Sector 11. Northern Film and Media – Comedy Hot House 12. Reatech Ltd – Resilient Communications

Improve the region's economic resilience.

Develop Peer Networks in the sectors most affected by COVID-19 (hospitality, retail, tourism) to support businesses to recover.

To help businesses hit hardest by the pandemic we specifically designed Peer Network so businesses could work with one another to discuss their challenges and share solutions; accelerating businesses response and adding to resilience. Cohorts for businesses in the hospitality and tourism sector (2 cohorts), on the high street (1 cohort) and in the creative and cultural sectors (1 cohort) were formed. These cohorts offered peer support to over 40 businesses. Participants on the high street cohort have fed back that the programme helped them to refocus their service offering, expand their online presence, better communicate their offering, and increase their team.

Continue to gather and develop weekly intelligence reports to identify issues early, and inform government and regional stakeholders on the state of business.

We have continued to work alongside our Provider Network, Local Authorities and business representative organisations to draft and submit a weekly intelligence report that includes stakeholder feedback, and local data and research outputs.

We amplified our existing intelligence gathering systems to ensure detailed and accurate reporting could be provided, including through our Customer Relationship Management system to enable advisers to capture issues and trends for every engagement with a business.

During 2021/22 our intelligence gathering activities detected and reported to government early inflationary pressures that businesses were facing and have seen grow throughout the year.

Run bespoke workshops and support services to educate businesses on specific issues/ changes related to EU transition.

We delivered six workshops to support businesses to navigate and understand the new trading environment and Net Zero agenda.

EU Transition workshops focused on three key themes to support businesses to navigate and understand the new trading environment: exporting & importing services to the EU; negotiating sales with international customers; and trade agreements.

x businesses and individuals across the cluster boundaries attended the workshops.



Business and Sector Growth: Energy

Key deliverables - What we will deliver between April 2021 and March 2022

Progress

Accelerate delivery of energy projects within the region, helping deliver growth and net zero

Operationalise the Energy for Growth Accelerator.	The Energy for Growth Accelerator has been operationalised. Two programme managers are in post and the first requests from local authorities were submitted in September 2021. Since September, the programme is now supporting 10 projects across the region, with a project value of £150m. Eight of these projects are low carbon heat networks.
Convene stakeholders to agree the North East masterplan approach.	Convene stakeholders to agree the North East masterplan approach. Agreement is in place with regional local authorities that a North East approach to energy masterplanning and local area energy planning should be pursued, involving other stakeholders such as the Department for Business, Energy & Industrial Strategy (BEIS), Northern Gas Networks and Northern Powergrid. This will be taken forward in the coming year.
Tactically promote heat networks High Potential Opportunity, heat study, mine energy white paper.	<p>The High Potential Opportunity (HPO) on heat networks has been briefed in to the Department for International Trade (DIT) overseas teams by the North East LEP, Invest North East England, and DIT specialists. It is now being actively promoted to industry in overseas markets in order to highlight the region and generate investment leads.</p> <p>In addition, two ministerial visits to the North East have occurred to highlight the HPO and opportunities in the low carbon heat sectors, and specifically heat networks. One of these visits involved a round table with leading industry representatives at UK level to discuss sectoral and regional opportunities. Further events market engagement and evidence base activity is being planned with the sector and Business Growth team.</p> <p>The Mine Energy White Paper has been published, and was well received by industry and government. It includes a ministerial foreword and clear set of recommendations to further develop the sector and project delivery at UK scale. The Energy for Growth team continues to lead the national Mine Energy Taskforce to promote the work and take forward the recommendations. The taskforce has grown significantly over the last year and now has over 100 members from local and central government, industry and academia.</p> <p>All this work has been further informed by the heat network supply chain opportunity study commissioned by the North East LEP. This led the team to identify an overarching opportunity for the North East to build the UK's first low carbon heat cluster, with key economic opportunities around heat pump manufacturer and heat network supply chains. The team has developed key messaging and strategy to deliver on this ambition.</p>
Coordinate regional local authorities in delivery of local authority delivery 2 programme.	We have supported regional local authorities, through our role in the North East and Yorkshire Hub Net Zero Hub, to secure Local Authority Delivery Retrofit funding. Through this programme, around £20m energy efficiency retrofit funding has been awarded to North East local authorities, which will fund energy efficiency measures across 2,000 homes.
Support capacity building in local authorities for retrofit delivery.	We have facilitated Retrofit Coordinator Training for regional local authority staff, to develop the skills required for successful delivery of large scale retrofit schemes. We have also informed retrofit capacity building initiatives led by the North of Tyne Combined Authority, including exercises to develop a better evidence base around housing stock condition, investment opportunities and impacts, and procurement route options for large scale retrofit delivery.

Complete rural community energy fund delivery and evaluation.	Through the Rural Community Energy Fund (RCEF), £600k of funding was successfully awarded to develop community energy projects in the North East. The entire RCEF programme is now complete and has delivered its anticipated aims. The evaluation is being led by Tees Valley Combined Authority.
Complete feasibility for retrofit skills proposition and determine roles in delivery.	We commissioned delivery of a Domestic Retrofit Skills Assessment, supported by the North East and Yorkshire Net Zero Hub and the North East Energy Catalyst. The report has been published and includes an action plan outlining a series of recommendations for colleges, independent learning providers, and industry to enact. Implementation of the action plan will help to address the skills gaps in hitting net zero targets in domestic energy efficiency. Evidence presented in the action plan and final report will also be used to inform funding applications.
Coordinate our energy innovation & demonstration assets to develop and showcase solutions to global challenges.	
Finalise pipeline for North East future energy system today prospectus.	A £280m regional energy innovation and demonstration pipeline has been identified by the North East Energy Catalyst. This pipeline will now form the basis for more proactive and ambitious collaborative funding bids from the region. A Pipeline Working Group is set up to help identify funding opportunities for combined projects and programmes to deliver the pipeline.
Establish the Energy Catalyst SME support model.	North East Energy Catalyst delivered the Energy Innovation Challenge Programme during 2021/2022, awarding 10 SMEs a £20,000 Local Growth Fund Grant to support them to grow and bring products or services to market. The programme also supported a wider cohort of businesses, including those funded, by brokering connections to the Catalyst board partners and delivering business support workshops and 121 sessions on various topics facilitated by the North East LEP business growth team and the Innovation SuperNetwork. A revised Innovation Challenge Programme is in development for financial year 2022/2023 to enable regional SMEs to gain access to investment.
Launch the Energy Catalyst SME network and partner network.	The Energy Catalyst 'SME' and 'Partner' network has been established. Industry partners have joined the partner network, which have begun yielding new connections and projects, including Clean Tyne Maritime UK
Plan and schedule the Energy Catalyst Summit.	An Energy Catalyst Summit took place on 8 March 2022 as a hybrid event, attended by 95 delegates. There were also site visits to partner facilities on 10 and 11 March 2022.
Forward comms plan for Catalyst, increase awareness and influence nationally and internationally.	Communications is fully integrated with The North East Energy Catalyst delivery framework. Activity has included: <ul style="list-style-type: none"> • A campaign during the twelve days of the UN Climate Change Conference (COP26) showcasing regional energy innovation and demonstration assets; • A video promoting our regional assets
Support growth, investment and cluster development in key energy sectors.	
Devise targeted inward investment process, and initial targets.	We have worked closely with Invest North East England on building the inward investment process around three key energy sectors of opportunity: offshore wind, electric vehicle and battery, and low carbon heat sectors. North of Tyne Combined Authority, other partner authorities and industry bodies such as NOF energy, and the North East Automotive Alliance have also contributed to this activity. <p>Market intelligence, including target sub-sectors and potential target organisations, has been gathered through commissioned reports and close working with national government and industry representatives. Key successes and realised inward investments have included Britishvolt, JDR Cable Systems and Equinor.</p>

<p>Agree, together with Energi Coast, ownership and workplan for wider offshore wind cluster development priorities.</p>	<p>Energi Coast has created a vision for the development of the cluster and introduced sub-groups that focus on topics. The provision for these subgroups was included in the revised Energi Coast constitution which we, along with other partners, informed.</p> <p>The North East LEP has defined roles in the cluster, including sitting on the management group, leading the skills subgroup, and being a member of the innovation subgroup. We have contributed to the work plan by integrating the export strategy into the work of Energi Coast and led on infrastructure -related initiatives including coordinating regional responses to government calls for infrastructure projects related to offshore wind.</p>
<p>Agree with stakeholders and coordinate the LEP's role in supporting the electric vehicles and battery sectors.</p>	<p>In November 2021, the LEP convened key regional stakeholders including Nissan, Britishvolt, Envision, Newcastle University and the North East Automotive Alliance, together with North of Tyne Combined Authority , Sunderland City Council and Invest North East England. This was to discuss how to best represent the region's strengths in the electric vehicle and battery sectors, and what support is needed from the public sector.</p> <p>We have awarded more than £90k through our Project Development Accelerator Fund to expand the work of a new partnership aimed at growing the North East's battery sector.</p>
<p>Convene stakeholders to agree and promote a low carbon heat cluster approach.</p>	<p>The North East LEP has worked with partners to define the opportunity for the region to build the UK's first low carbon heat cluster, building on the heat network High Potential Opportunity (HPO), a c£500m pipeline of heat network projects, leading innovation and delivery assets across low carbon heat pathways such as hydrogen, heat pumps and geothermal, and the LEPs lead of the mine energy task force.</p> <p>We convened a round table in the region during 2021 to discuss the region's opportunity in the UK context, which has ministerial attendance alongside key industry organisations such as Logstor, Vital, Engie (Equans), Pinnacle and Star Refrigeration. Following this roundtable and other work in the sector, we continue to develop an action plan and key messaging to progress this ambition.</p>
<p>Agree regional recommendations on UK content and channels to feed these into.</p>	<p>A series of views and recommendations on UK content issues in the offshore wind sector were gathered and consolidated by the North of Tyne Combined Authority. We contributed to this session and the results have been shared.</p>
<p>Support mobilisation of the Global Underwater Hub in the North East and effective connections into networks.</p>	<p>We participated in the Global Underwater Hub's implementation group, updating regional networks such as Energi Coast on progress, and enabled Subsea UK to update regional stakeholders via the North East LEP's offshore energy and underwater markets steering group. Subsea UK also presented on the Global Underwater Hub to the Offshore Wind North East conference in December 2021.</p>



Business and Sector Growth: Tech

Key deliverables – what we will deliver between April 2021 and March 2022

Progress

Work with partners on the North East Digital Ambition, by developing and publishing goals, strategic priorities and a plan that supports them.

Finalise and publish the North East's digital ambition.	Working with the Digital Steering Group a decision was made to refocus the programme on the growth of the tech sector rather than the wider digital agenda. The intention during 2021/22 was to form a new private sector Tech Strategy Board integrated into the Business Growth Board. The decision was taken to delay the formation of this board until the conclusion of the LEP Review, which was expected before 2021 Summer Recess but then faced ongoing delays until the publication of the Levelling Up White Paper in January 2022. This has caused delays in moving the programme forward. Now that we have more certainty over the future of LEP's we are in the process of forming the Tech Strategy Board.
Agree strategic priorities.	
Mapping how stakeholders can contribute to the achievement of the North East Digital Ambition.	An intelligence survey, one to one diagnostic interventions via the Growth Hub, and sector focused Peer Network and High Potential Start-up Cohorts are combining to provide intelligence on what is enabling and/or inhibiting growth in the sector. The LEP also provided funding to Sunderland Software City via the Local Growth Fund (LGF) Cluster Development Fund to carry out a research study into the challenges faced by Tech start-ups. The intelligence gathered has fed into an Evidence Base report that is informing and being considered by the Tech Sector Strategy Board.
To carry out a research study exploring rates of digital Sector business start-up and scaleup and what's either enabling or inhibiting growth.	
The intelligence generated from these actions will be used to inform the development of a digital sector action plan.	The interim Tech Sector Programme Manager has been working with the LEP's policy and strategy team to establish an evidence base, draft vision and strategic themes for consideration of the Tech Strategy Board, once established.
Review and implement new governance structure.	Delayed due to outcome of the LEP Review. Expected to be in place by End of q1 2022/23.



Business and Sector Growth: Health and life sciences

Key deliverables – what we will deliver between April 2021 and March 2022

Progress

Modernise and grow pharmaceutical manufacturing in the region.

Finalise business case for funding pharma manufacturing and innovation facility and identify funding sources.

North East Pharma has been supported through the Local Growth Fund (LGF) Project Development Accelerator Fund to develop a business case to support the development of a Generic Drug manufacturing facility designed to address supply shortages in the NHS and to build more resilient supply chains which have been exposed through the COVID-19 pandemic.

The flagship Life Science Manufacturing and Innovation Zone (LSMIZ) proof of concept study was awarded funding via the LGF Project Acceleration Fund. The LSMIZ is designed as a mechanism to significantly boost the growth of the In full Health and Life Sciences (H&LS) sector, to put the North East on the global map and bring forward a pipeline of game changing projects.

Develop supply chain development programme to move forward recommendation of gaps analysis and support diversification. Generics manufacture – also look at wider supply chain and supply and demand dynamics.

The LEP are supporting North East Pharma to develop a business case for a Pharma generics manufacturing and innovation facility and funded NEPIC via the LGF to carry out a Generics Manufacturing supply chain study to support the North East Pharma business case development.

In addition the H&LS Working Group are developing a register of local regional H&LS companies.

Develop a sector skills framework to support development of an appropriately skilled workforce to enable growth.

A health and life sciences skills group has been established between education, employers in the sector and other key stakeholders. This group have developed a sector skills framework to align skills supply and demand across the region and activity to deliver this has commenced.

Activity across the skills group partnership delivered against the objectives outlined in the skills framework, relevant to pharmaceutical manufacturing includes; a report outlining the skills demand and challenges experienced by employers in the industry, published by North East LEP on North East evidence hub to inform providers; a report developed by NEPIC, commissioned by the North East LEP, to map the existing regional CPD offer with a focus on digital and technical skills and general skills for business; information and awareness sessions around apprenticeships; and a health and life sciences sector online careers toolkit launched to support schools and colleges to promote careers in the sector.

Support Industrial Digitisation through Made Smarter Hub.

12 of the 64 businesses that were supported intensely through the Made Smarter programme were from the pharmaceutical and chemical sector. They have received diagnostics on their digital readiness, from which they've developed adoption roadmaps, attended structured peer networks sessions to dig deeper into these, and worked with a panel of Industrial Digital Technology specialists on implementation projects.

Develop an inward investment proposition around our advanced manufacturing strengths.	Working with Invest North East England (INEE) who have appointed a dedicated role to focus on the promotion of H&LS sector, the regions inward investment proposition has been updated. In addition INEE have been working closely with the DIT to develop the Aging High Potential Opportunities programme which has the backing of Ministers and is being actively promoted internationally. In addition the development of the North East Health and Life Science Manufacturing and Innovation Zone is designed as a mechanism to grow and communicate the regions value proposition.
Refresh first for pharma study to understand trajectory of businesses in the sector and to understand needs, barriers, and opportunities for growth.	A refresh is being carried out through the North East Growth Hub who have launched a business survey and who are actively engaging with businesses from across the Health and Life Science sector undertake a diagnosis process to understand their challenges and barriers and to develop a plan for growth. The intelligence gathered is being used to inform policy and strategy development and will be embedded as an ongoing process
Increase the number of innovative health and life sciences business that are born, grow and scale in the region.	
Support the formation of university spinouts.	Northern Accelerator have supported 9 Investment from there Seed Investment Fund (£1.8m) Life Science spinouts during 2021/22 including 34 Executive placed in Spin outs and £3.5m awarded to pre-incorporation projects.
Support the formation of corporate and NHS spinouts.	The Academic Health and Science Network via their Omnia Pathway are helping HLS companies to enter the NHS supply chain.
Support existing businesses to diversify into Health and Life Science Sector.	Supply Chain North East (via NEPIC) continue to support businesses to diversify into Health & Life Sciences, funding has been secured to continue this activity to December 2023. We have worked with xx HLS businesses who are considering diversification
Develop a skills framework to support the development of an appropriately skilled workforce to enable growth.	A health and life sciences skills group has been established as a partnership between education, employers in the sector and other key stakeholders. This group have developed a sector skills framework to align skills supply and demand across the region and activity to deliver this has commenced. Activity across the skills group partnership delivered against the objectives outlined in the skills framework, relevant to innovative health and life sciences businesses includes; a partnership with Bionow skills special interest group to build upon skills intel collated from pharmaceutical manufacturers; North East Ambition skills support for SMEs delivered through partnership with the Education Development Trust; information and awareness sessions around apprenticeships; and a health and life sciences sector online careers toolkit launched to support schools and colleges to promote careers in the sector.
Promote the region via Ageing HPO and expand HPO approach via IDP's to promote regional strengths e.g., Diagnostics, Rare Disease, Advanced Delivery Systems.	Working with the DIT and their overseas posts, Invest North East England have incorporated the Ageing HPO into the promotion of the North East Life Science Sector this has included the creation of a role to promote the sector and an updated regional proposition. The Life Science Manufacturing and Innovation Zone will seek to learn from the HPO approach and apply good practice to its development.

Broker access to a range of expert support and services across the health and care sectors through the Innovation Pathways.	
Develop Innovation Pathway brokerage system including the mapping and gapping of supply and informing Innovation funding pipeline.	The AHSN have progressed development of their Omnia brokerage platform and appointed Innovation Navigators to enhance the development of the Innovation Pathway which brings together those seeking support to break into the NHS with the support and funding required to do so. To support the supply of required support and funding plan is in place to achieve closer integration with the North East Growth Hub.
Develop our ecosystem.	
Progress priority LGF pipeline projects that demonstrate greatest contribution towards programme goals.	15 Innovation pipeline projects have been identified in the HLS sector. Biosphere Phase 2 which will provide access to the specialist facilities and grow on space that's demanded by businesses in the sector and Northern Accelerator which will continue to support the formation of University Spinouts.
Carry out study to assess if property and infrastructure can meet the needs of industry.	The Life Science Manufacturing and Innovation Zone proof of concept study will map all health and life sciences facilities in the region and consider the developments that are required to provide businesses in the region with the property required to facilitate their growth and development. The study has been commissioned and will be completed by October 2022.
Carryout freight logistics study.	We have worked with Newcastle International Airport to commission research and propose options for enhancing international connectivity linked to the growth in pharmaceutical and life sciences exports over the last two years and the future growth potential in the region identified in the strategy. The research project which interviewed a significant number of business and infrastructure partners was completed during the year and made detailed recommendations. A second project has now been commissioned to take forward the recommendations
Develop base line data for sector and publish on data hub.	This has been revised within the HLS working group that is made up of DTI, BioNow, NEPIC, AHSN, Dynamo, NGI, Invest North East England, Innovate UKRI, Northern Accelerator and North East Growth Hub, Strategy, Innovation and Skills.



Business and Sector Growth: Advanced Manufacturing

Key deliverables – what we will deliver between April 2021 and March 2022

Progress

Develop the competitiveness of the North East's Advanced Manufacturing sector.

Working with government and Tees Valley Combined Authority to lead the development of a North East Made Smarter adoption programme which will support 100 manufacturers to adopt industrial digitisation technologies.

We assisted 64 business across the North East Local Enterprise Partnership and Tees Valley Combined Authority areas to adopt industrial digitalisation technologies. This was reduced from the initial target of 100 to reflect the refinement of the project delivery plan which was completed in Q1/2021-22, and delays in final contracting with government. All of the 64 businesses received high-intensity support, attending a programme of digital leadership and management workshops, and all were invited to apply for grant funding. We received applications from 28 businesses for capital projects and have recommended 23 of these for awards – total SME project value is £419K, with grant funding of £180K to support these.

Following the mobilisation of Made Smarter we will establish an Advanced Manufacturing steering group.

The mobilisation and delivery of Made Smarter programme was prioritised this year and as a consequence, the strategy development work was delayed until Q4. We have conducted initial sector research, and established the project plan to take the strategy development forward, and will formally establish the Advanced Manufacturing Steering group before the end of Q4/2021-22

The steering group will then work with the LEP to develop an Advanced Manufacturing Sector plan/strategy.

Deliver a pilot that demonstrates how fusion skills (STEM and arts and design skills) are critical for success in an A.I. workplace.

Skills, employment, inclusion and progression

Key deliverables – what we will deliver between April 2021 and March 2022

Progress

Deliver North East Ambition.

Support and demonstrate progress and impact as we work with 145 schools and colleges to achieve the eight Good Career Guidance benchmarks.

We have supported over 160 schools and colleges and improved benchmark performance during the year across seven of the eight Good Career Guidance Benchmarks:

Benchmark 1: +15.2%

Benchmark 2: +3.0%

Benchmark 3: +7.1%

Benchmark 4: +15.2%

Benchmark 5: +2.0%

Benchmark 6: +7.1%

Benchmark 7: +3.0%

Benchmark 8: +0.0%

These figures are based on matched schools/colleges (April 2021 - January 2022 (latest figures available))

Use the experiences and results of an independent evaluation of the two-year Career Benchmarks: Primary Pilot to expand the number of schools using the adapted set of benchmarks as a framework for delivering effective careers-related learning in primary settings to over 100.

The independent evaluation was completed and can be read [here](#). The evaluation showed that the pilot average for fully achieved characteristics at the end of year two was 65%, up from 40% in the year one audit, and 13% at the baseline audit. And the average number of fully achieved benchmarks was 2.3 at the end of year two, up from 0.6 at the end of year one, and 0.0 at the baseline audit.

The pilot has been expanded from 68 primary schools to 103 schools.

Continue to facilitate the partnerships between businesses and educators to reduce the gap between skills supply and skills demand, through the Enterprise Adviser Network, by engaging with 40 new employers.

The Enterprise Adviser Network has signed up 36 new employers, with 75 expressions of interest in the pipeline, following a proactive recruitment campaign. The total number of Enterprise Advisers is now 148, 60% of which are SMEs. We have seen an uptake in digital and advanced manufacturing businesses, aligning with our growth sectors, and an increase in female advisers to help narrow the gender gap.

We've seen an uplift in activity between the Enterprise Adviser Network and further education (FE), with the introduction of the FE Enterprise Adviser Network, where the expertise and experiences of Enterprise Advisers working with colleges is shared across the full college network. The introduction of the Business Education Engagement Partnerships (BEEP) pilot has also been introduced to cultivate relationships between employers and schools and embed technical education pathways into school career strategies in Gateshead. Of 15 schools/colleges in the Gateshead area, 13 were involved in the pilot, nine matched with an Enterprise Adviser, two schools are looking to be matched shortly, and two SEND schools are to engage and then look at matching.

Continue to act as an advocate of the eight Good Career Guidance benchmarks and offer strategic leadership regionally and nationally by delivering 15 regional events to educators and businesses.

We have held 41 regional events and hosted the National Careers Week 2022 launch event:

- 3 Regional Careers Leader Network Meetings (attended by on average 80 career leaders)
- 3 College Hub meetings
- 3 SEND Hub meetings
- 3 Full Network Primary Pilot meetings including an end of pilot celebratory event
- 3 Enterprise Adviser meetings
- 6 Industry Insight sessions
- 6 Apprenticeship Group meetings
- 12 route network meetings supporting the early adopters of T-levels and connecting them with employers to support the co-design and delivery of T-levels
- 1 Business Benefits for T-levels for the Construction Industry event
- 1 launch of the Gateshead Building Education & Enterprise Partnership Project, followed by the first meeting.

Participate in a number of key working groups and steering groups.

We represent the North East LEP and the LEP network in 16 regional and national working groups that influence policy, strategy and delivery including:

- DfE Strategic Development Network representing the national LEP network on employer support for T-levels
- Gatsby Charitable Foundation's 'Visualising Progression Pathways' working group
- North East Ambition Advisory Group.
- DfE Opportunity North East Board
- Ford Next Generation Learning Leadership Council
- Edge Future Learning International Partners Group
- Careers & Enterprise Company's FE & Skills Group
- Careers & Enterprise Company's SEND CoP
- Seven individual LA CEIAG groups
- CEIAG Network Chair's Group
- Professional Practice Group
- North East LEP Apprenticeship Provider Group
- North East LEP T-level Stakeholder Group
- North East LEP T-level Training Provider Group
- North East Institution of Technology Operational Board
- North East LEP Cornerstone Employer Group.

Work with 156 businesses and employers to enable them to make effective investments in their workforce. We will support them to navigate the skills ecosystem to access apprenticeships, traineeships, Kickstart, technical education pathways, in-work training, provision of placement and work experience opportunities.

We have supported 170 SMEs to navigate the skills ecosystem to access apprenticeships, traineeships, Kickstart, technical education pathways, in-work training, provision of placement and work experience opportunities.

Deliver Education Challenge.

Continue the support offered to One Vision schools, aiming to improve the destination outcomes of a selected cohort through targeted and personalised careers advice and interventions.

The One Vision programme has met all delivery milestones throughout 2021-2022. 480 students across 16 schools have accessed up to five hours of advice and guidance with two more sessions to take place before August 2022. A wide range of targeted careers-related activities and interventions have been offered both virtually and face-to-face. There has been an average 89% increase in the assessment levels of students across 12 themes of knowledge and understanding of options, progression pathways and careers.

The proportion of students who are unsure about their post-16 plans has decreased from 25% to 6% at the last data collection (January 2022).

<p>Further develop processes and partnerships with a focus on the strategic use of data to improve progression and career pathways for young people.</p>	<p>Data from ONE Vision is used by the project to develop bespoke intervention with employers.</p> <p>The data collected enables us to understand pupils' levels of underpinning career knowledge, the sectors they want to work in, the type of jobs they want in the sectors, and their post 16 pathway options. This has allowed us to inform discussions with business leaders, which has resulted in young people having the right conversation with the right businesses and consequently, improved engagement and received positive feedback from businesses and multiple interventions.</p> <p>We have provided regional cuts of data to partners who have used the evidence to shape their own delivery programmes and become more targeted in their approaches to careers activity.</p> <p>At a strategic level, data is analysed and is used to report progress to the Opportunity North East board and the Department for Education to ensure the project delivers against milestones. The data has also been applied to other projects such as the Effective Transition Fund.</p>
<p>Develop a strategy for the North East LEP to capitalise on our position as the only LEP to be a School Governor Champion. The strategy will encourage other LEPs to recruit business people, particularly from SMEs, to be school governors.</p>	<p>Through the five step School Governor Champion charter we actively support employees to volunteer as governors which has led to 18% of the workforce volunteering in the region's schools or colleges.</p> <p>As part of our business engagement strategy, we now actively promote school and college governance as a means of employers supporting education in the region. This is achieved in our outward facing marketing collateral and in face-to-face business engagement opportunities.</p>
<p>Support national organisations, including Inspiring Governance, to achieve their KPIs specific to the region including diversity of governing bodies.</p>	<p>We have supported national organisations to achieve their KPIs in the region through amplifying their recruitment campaigns. For example, with over 60% of volunteers over the age of 55 there is a need for increasing the recruitment of younger governors. We have worked with Inspiring Governance to produce local case studies promoting young governance and the support that is offered to young volunteers.</p>
<p>Support the expansion of the Ford Next Generation Learning pilot, to work with Further Education colleges to embed employer-led learning partnerships to provide high quality learning opportunities.</p>	<p>The partnership with Ford Next Generation Learning and further education colleges continued throughout 2021. The first college cohort of learners completed a full academic year in which they benefited from curriculum delivery, engagement with employers that had been shaped through the partnership, with results showing improved achievement, retention and progression of learners. The partnership work expanded to other faculty areas and a further college, with new employer groups being formed to co-develop and shape curriculum delivery in Health and Care pathways from September 2022.</p>

<p>Develop a partnership approach to continued professional development for both schools and businesses that encourages and highlights the benefits of closer engagement between business and education. The offer will include curriculum engagement, support to develop meaningful work experience, and support for Initial Teacher Trainees to develop understanding of careers learning in subject areas.</p>	<p>We have delivered a range of continuing professional development (CPD) sessions across the network including:</p> <ul style="list-style-type: none"> • Gatsby Benchmark 4 subject specific training for vocational subject teachers • Curriculum-project planning and development training • Support to businesses who have been partnered to co-develop curriculum projects • Support sessions to organise teacher externships • Development of work experience programmes. <p>In addition, we have supported partners by:</p> <ul style="list-style-type: none"> • Matching schools to offer peer support • Signposting external teacher CPD, for example, Project Based Learning Goes to University (Newcastle University programme) <p>The impact is improved understanding of effective employer – education engagement.</p>
<p>Improve skills progression.</p>	
<p>Promote the concept of fusion skills regionally.</p>	<p>Research to understand the concept of fusion has been completed. This has led to strategic discussions with NCFE which has a shared interest in 'essential skills for the fourth industrial revolution'. Proposals for the promotion of essential skills across the education system, from primary through to higher education, are being co-developed with implementation planned for next year.</p>
<p>Deliver a pilot that demonstrates how fusion skills (STEM and arts and design skills) are critical for success in an A.I. workplace.</p>	<p>We have completed a scoping exercise and established a project remit for a pilot. We are exploring options with a potential funder, who will also act as a strategic partner.</p>
<p>Support eight early adopters to deliver good quality T-levels and specialist technical education.</p>	<p>We have supported eight early adopters to deliver T-levels, by providing the following activities:</p> <ul style="list-style-type: none"> • Delivering a range of awareness events to employers through a bespoke Business Benefits of T-levels to Construction Industry event, which engaged 17 businesses, resulting in five new employers connecting with providers to support placements; through to sessions aimed at business brokerage organisations such as the regional CBI Employer Skills Forum and Education Development Trust's SME Facilitators • Commissioned and delivered training for provider staff for effective employer engagement aimed at achieving consistent messaging on T-levels across the business community • Established four sector 'routes ready' T-level networks, meeting termly to facilitate collaboration between early adopters of T-level and non-T-level colleges to support with good practice sharing and identifying challenges • Engaged with awarding bodies and connected sector representatives, such as the Department for Education-contracted Education Training Foundation to the provider base, to promote external funding and support available showcase national good practice regionally and vice versa.

Work with partners to analyse data relating to further education (FE) to higher education (HE) transitions, graduate retention trends, post-graduate employment opportunities and degree apprenticeship provision. Use this intelligence to prepare a plan to promote the North East as a location for graduates and skilled workers to stay and thrive.

We have analysed Education and Skills Funding Agency (ESFA) 19/20 localities data to understand apprenticeship delivery across FE and HE and expanded support around labour market information to higher education. Newcastle University is now represented on the LMI working group.

We have worked with Newcastle Business School on a strategy to retain business school graduates in the region and supported SME engagement with HE. SMEs from our North East Ambition network now offer live problems to students at The Business Clinic at Northumbria University.

Develop an approach to support the Careers Education, Information, Advice and Guidance community to embed broader technical education in their practice to support progression pathways.

Published technical education information, advice and guidance on the North East Ambition website, which can be found [here](#). The content was developed with career leads to ensure it was relevant and met their needs.

We are also developing a series of CPD training targeted at careers leads in partnership with the Education Training Foundation.

Increase youth employment.

Build on the success of Generation North East and Durham Works to develop future models to prevent youth unemployment, by developing programmes of career guidance, education and skills support for young people ages 16-24

The learnings from Generation North East and Durham Works contributed significantly to evidence presented by the North East LEP to the Youth Unemployment Committee, which was also featured in the final report.

We have worked with CBI to develop a young person's charter, to ensure young people are involved in developing future models.

From a delivery perspective, the programme has worked closely with colleagues at Durham County Council to build on the success of its model to prevent youth unemployment. Durham Works has supported 8,761 unemployed 16-24-year-olds since 2016. The programme was awarded an extension until 2023. 8,027 (92%) have completed the programme and of those 6,241 (78%) have progressed into employment, education or training or gained a qualification. The programme has expanded to include a specialised arm for young people with barriers to progression into employment including SEND, care leavers and young offenders. Additionally, Durham Enable is a new specialised programme supporting people with disabilities into work; currently the programme is supporting 69 people into sustained employment and has successfully placed 21 into placements.

In March 2022, our One Vision programme delivered a Pathways to a Good Career event in Durham. 300 Year 11 students attended who are due to complete their GCSEs in summer 2022 and will be transitioning to post-16 education, employment or training.

We have delivered Kickstarter activity and worked closely with partners in Department for Work and Pensions (DWP) to rollout Restart and Job Entry Targeted Support.

Analyse data to establish if there are barriers to entry to apprenticeships and develop a strategy to address any gap in provision in response to this research to share with partners and providers.

We have analysed data from the 21/22 ESFA data cube to create a regional picture of apprenticeship uptake and delivery. We conducted a survey via the Apprenticeship Provider group's members and trusted employer partners on their engagement/appetite for engaging with 16-18 apprenticeships which will inform next year's apprenticeship activities.

Ensure connected communities.

Commission a research project to understand the impact of digital exclusion in our communities and understand the changing nature of jobs due to automation and digitalisation.

The research we commissioned is published on the evidence hub here: [Digital Exclusion in the North East LEP Area_ Executive Summary_FINAL.pdf](#)

The report was presented the Skills Advisory Panel, the North East LEP Board, North East Combined Authority Overview and Scrutiny Committee, North East Combined Authority Leadership Board and North of Tyne Combined Authority Inclusive Economy Board. It will provide further evidence for the local skills report and other commissioned work on our Evidence Hub. The evidence provides a basis for the needs assessment of digital bootcamps and other strategic training and reskilling programmes.

Work with government, local and combined authorities, the voluntary sector, and businesses to secure funding and resources to ensure that all North East residents can develop their digital skills regardless of their age, location, or economic status.

The North East LEP has been awarded £80,000 funding by the Project Development Accelerator fund to produce a business case for a regional digital inclusion programme. This business case will be used by the North East LEP and partners to bid for future funding opportunities, including the Shared Prosperity Fund.



Innovation

Key deliverables – what we will deliver between April 2021 and March 2022

Progress

Stimulate new business opportunities through the North East Open Innovation Challenge.

Bid for, and aim to deliver, three innovation challenges with proposed themes of decarbonising the circular economy, crime reduction in rural areas and health innovation.

We secured £712,000 from the North of Tyne Combined Authority's Investment Fund for a new open innovation challenge project, Challenge North Tyne, that will take forward the lessons learned from the COVID-19 Open Innovation Challenge. Challenge North Tyne will define challenges in carbon reduction, healthy ageing and 5G/digital enablement. Challenges will be launched by mid 2022 following the challenge definition phase. Project delivery is scheduled to be completed by mid 2023.

Develop the Challenge North East website so that it can evolve into a site that not only educates and informs about the benefits of the challenge process but becomes a platform to host and facilitate challenges in different sectors.

A Challenge North East interactive website is in place and will host Challenge North Tyne and other future challenges in the region. An aspiration is to enhance use of the platform to enable company or industry listing of challenges that require innovative responses that could be solved by the region's wider business community. The website will be launched at the start of the challenge definition phase in mid 2023.

Position innovation challenges as a route to new business opportunities and growth.

Our COVID-19 challenge programme has continued to address the need of regional organisations and businesses to solve problems caused by the disruption effected by the pandemic. The open innovation programme provided a focus to identify, select and respond rapidly to accelerate innovative solutions to two identified challenges: in-person events and home-based services.

The COVID-19 challenge programme demonstrated that local SMEs are keen to engage in challenge activity, with 63 expressions of interest across two challenge areas. We will build the approaches developed into the Challenge North Tyne programme and embed learning into the Challenge North East website.

As a supporting and awareness-raising mechanism, we built open innovation content for the North East Growth Hub that clearly articulates the benefits of innovation as a route to new business opportunities and growth.

Prioritise a regional pipeline of projects to form a strategic investment programme.

Work with at least 10 regional partners, identified and assessed via an expression of interest process, to champion and develop investment-ready business cases for innovation projects and support them to secure funding and private sector investment.

An open call was published for expressions of interest for investment-ready innovation business cases. 51 were received, evaluated and reviewed by an external panel to form a draft pipeline of projects.

9 have been identified as priority projects and will be closely supported by the North East LEP executive team, advisory and steering groups.

11 were selected as development projects to be supported to develop investible business cases.

We will monitor the remaining prospective projects, identifying opportunities to progress as they become available.

In preparation for UK Shared Prosperity Fund, 20 proposals came forward for revenue activities including innovation business support. These proposals form a basis for the development of regional propositions that boost competitiveness and productivity through innovation.

Continue to support our businesses to capitalise on local research and innovation capability.

Identify opportunities for collaboration and facilitate relationships between businesses and innovation assets.

Collaboration has been central to our activity during 2021/22 - we have continuously identified opportunities for businesses and innovation assets, particularly by:

- Linking projects as part of the innovation project pipelining activity, to increase potential project impact.
- Linking projects with the Innovation Delivery Partnerships Pilot to nurture opportunities and relationships.
- Supporting VentureFest North East that was attended by 850 delegates and hosted the Innovation Showcase, and North East Innovation Award.
- Developing relationships with The Productivity Institute and with the Knowledge Transfer Network to identify opportunities to boost innovation activity and investment and facilitate relationships.

Facilitate access to research and capabilities that will help businesses increase innovation activity and facilitate knowledge transfer.

We have delivered this in three key ways:

- Ensuring the innovation project pipeline includes business support programmes within the region, which will provide capacity and offer knowledge transfer and finance.
- Publishing and maintaining the innovation toolkit on the North East Growth Hub to facilitate access to knowledge and support. The toolkit has been supported by the region's universities and innovation assets by publishing their own offers and providing content for case studies.
- Embedding support for innovation activity and knowledge transfer in the Future Markets Acceleration programme.

Inform and help shape emerging national innovation strategy.

We held round table discussions with strategic regional innovation partners to inform Innovate UK and help shape the forthcoming strategy.

Increase private sector investment into growing innovation businesses.

Support mechanisms to increase investment in R&D and innovation through relationships and collaboration including:

- Supporting the promotion and launch of the City of London Corporation Interconnector
- Facilitating the preparation of an investment plan for Venture North
- Supporting the evolution of the Northern Accelerator programme.

- Supported the launch of the City of London Finance for Sustainable Growth Interconnector, working with partners to provide content and to inform its development as a mechanism to boost innovation activity and investment through strategic relationships
- Endorsed Venture North as a priority project on the new pipeline. We connected the Venture North team to discussions around pension funds, both regionally and with the City of London.
- Supported Northern Accelerator through its board and through its endorsement on the innovation project pipeline.

Contribute to the development of proposals for the successor to the North East Fund, ensuring the needs of the region's innovators are met.

We worked with the North East Fund Limited, North East Access to Finance and the British Business Bank teams to plan what successor funds should look like.

Engage with partners to identify emerging opportunities and drive business growth through an Innovation Delivery Partnerships (IDP) approach.

<p>Submit bid proposals to the UK Community Renewal Fund (CRF) for a project to develop further and deliver at pace the IDP approach. If successful deliver the proposals in line with funding award(s).</p>	<p>Five bids were submitted to the UK Community Renewal Funding process to develop our IDPs. Two were approved in the areas of Gateshead and Sunderland with delivery to take place between November 2021 and June 2022.</p> <p>There is a risk of fragmentation of activity through the UK CRF approach, the extent of which we will seek to clarify through independent evaluation of the project in Gateshead and Sunderland.</p>
<p>If unsuccessful, work with partners to explore the opportunities to continue to develop the IDP approach, including:</p> <ul style="list-style-type: none"> • To continue to support the current and future potential IDPs • Develop and test the approach which is anticipated to include an assessment tool and benchmarks framework. 	<p>Because funding was not approved for taking forward project delivery activities to the full cohort of 11 IDPs, we have continued to commit capacity to the development of four IDPs through support and coordination from the North East LEP's executive team.</p> <p>The innovation ecosystem assessment tool was co-created with the IDP lead partners and published in 2021. The IDP cohort is actively using the tool to gather opinion about the innovation ecosystem and to prepare annual delivery plans.</p>
<p>Undertake an economic markets foresight analysis project to identify emergent global market opportunities for the North East.</p>	<p>The economic markets foresight analysis project was procured, progressed and completed during 2021/22. 17 markets were identified as having significant potential for future growth in the North East. Peer review to test and validate these initial findings was carried out, led by government's cross-departmental Open Innovation Team and engaged 24 national and international experts.</p>

Coordinate regional partners to provide enhanced innovation support activity.

<p>Facilitate connections and collaboration between national and regional partners including Innovate UK, NP11 and the Innovation SuperNetwork to boost innovation activities.</p>	<p>We continue work closely and develop partnership working with these partners:</p> <ul style="list-style-type: none"> • Innovate UK – we worked closely with Innovate UK to support regional bids, publicise UKRI calls, ensure strategic alignment and feed into the UK Innovation Strategy. • NP11 - The NP11 innovation group has strengthened during the year, producing an innovation plan for the North and procuring support to develop a Space North proposition. North East LEP Innovation Director Alan Welby chaired the NP11 innovation group and worked with all NP11 LEPs to develop a Northern Powerhouse portfolio of priority projects. • Innovation SuperNetwork- The Innovation SuperNetwork was our delivery partner for the COVID-19 Open Innovation Challenge and is our delivery partner in the new Challenge North Tyne project
<p>Work with government and regional partners to support the development of, and transition to, a new innovation business support and sector development landscape.</p>	<p>We worked with government to keep pace with intentions for innovation support and continued to develop our relationship with The Productivity Institute. We held two regional round tables with government officials to inform the national Innovation Strategy.</p> <p>We continued to work with local and regional partners to prepare local approaches to innovation business support and proposals are reflected in the project pipeline through nine innovation support proposals, totalling a value of. £36.5 million.</p>

Work with innovation business support providers to enhance content on, and improve signposting to, schemes on the North East Growth Hub.	Providers have worked with us to develop content for the innovation toolkit – they have informed the key points that should be highlighted in defining the role of innovation, identified different funding streams available for us to promote and case studies of how SMEs have benefitted from accessing innovation support.
Publish an innovation toolkit on the North East Growth Hub, generating 300 referrals to the Growth Hub Provider Network.	<p>We published the innovation toolkit on the North East Growth Hub to raise awareness and facilitate access to innovation business support, targeting innovation active businesses and potential innovators. The toolkit provides a mechanism to raise awareness of opportunities for our businesses to capitalise on local research and innovation capability. The innovation toolkit was the most visited toolkit during January and February 2022 with 190% more traffic than the second most visited toolkit (Net Zero).</p> <p>The toolkit has to date:</p> <ul style="list-style-type: none"> • Generated 86 referrals to the Growth Hub Provider Network • Had 4,000 page views from 3,000 sessions with Google ads being the top channel for driving traffic • The average time spent on the toolkit was two minutes 20 seconds.
Evaluate the Local Growth Fund programme's Innovation Pipeline Development Fund.	The delivery of the projects supported through the fund has been significantly delayed by COVID-19 and consequently formal external evaluation was delayed until project outcomes are realised for all projects.



Transport Connectivity

Key deliverables – what we will deliver between April 2021 and March 2022

Progress

Continue to progress ongoing transport project delivery.

Deliver seven of the eight Active Travel Fund Tranche 2 schemes by March 2022, with the Newcastle Grey Street scheme to be complete by July 2021.

Extensions have been agreed with the Department for Transport (DfT) for seven of the eight schemes within the Tranche 2 programme. The Durham County Council scheme is due to complete by March 2022, with the remaining schemes complete by March 2023. Grant funding agreements are in place or being drafted for six of the eight schemes.

Deliver the Active Travel campaign funded through the Active Travel Fund by March 2022.

The Go Smarter, Go Active campaign was delivered during summer 2021 and consisted of three parts:

1. A seven-week summer event programme, 'The Go Smarter, Go Active Roadshow,' aimed at encouraging people to cycle with free bookable events including Learn to Ride sessions, refresher courses and bike maintenance workshops
2. New North East walking and cycling maps to help plan for journeys by active travel
3. A series of 16 guides for days out by active travel.
4. The campaign was supported by communications and marketing activity. All parts of the campaign were delivered during summer 2021 and communications activity on the maps and days out guides will continue until March 2022. The campaign has been positively received by members of the public, with the Learn to Ride sessions providing to be particularly popular, with demand exceeding availability.

Receive a final funding award from the Transforming Cities bid.

Seek approval from the Joint Transport Committee (JTC) for the release of £65 million funding to sustainable transport projects which are due to start construction by March 2022.

In the July 2021 JTC meeting, a delegated decision was approved to release £16.3 million of Transforming Cities Funding (TCF) for the Sunderland Central Station and multi-storey car park scheme. A further £7.74 million of advanced funds was agreed to be released by the JTC in October 2021 to ensure scheme delivery within TCF programme timescales. The regional ITS scheme is currently in appraisal and is expected to be approved in March. The Sunderland A690 scheme and the South Tyneside Healthier Metros scheme are also currently in appraisal and are due to be approved in March.

We are expecting an additional three full business cases to be approved prior to the end of March 2022. This will bring the total amount of funds approved up to £65.2 million.

Release £9.8 million for the Metro Flow scheme.

£1.7 million was released to Nexus in July 2021 following sealing of a Grant Funding Agreement between Nexus and the North East Combined Authority. Following discussions between Transport North East, the DfT and Nexus, given Metro Flow's status as the only Department for Transport retained scheme within the TCF programme, it was agreed that all remaining grant funding for the scheme will be paid directly to Nexus by the DfT.

Continue to improve and deliver better connectivity through improved infrastructure.

Deliver a funding strategy by the end of December 2021 for the Transport Plan pipeline. This will be maintained and regularly updated to secure forward capital and revenue funding for the pipeline.

A capital programme management framework was agreed by the JTC in October 2021. The regional Transport Assurance Framework is currently being audited by our internal auditors and, following the recommendations of the audit, will be reviewed and refreshed as appropriate. In addition, we will begin a refresh of the Transport Plan pipeline in March 2022 and will also consider the potential application of further devolved funds following the conclusion of the TCF programme in March 2023.

Use transport to drive innovation and business growth.

Work with Transport for the North, East Coast Mainline (ECML) authorities, MPs, Chamber of Commerce, etc. to seek investment from government for interventions that will uplift the East Coast Mainline's capacity and line speed north of York.

Lobbying for improvements in the ECML continues. Partly due to lobbying by the North East, the rail industry consultation proposal for a major timetable change on ECML from May 2022 has been postponed to May 2023. The UK Government's Integrated Rail Plan (IRP) for the North and Midlands has been published. The outcome for the region is severely disappointing as the North East will no longer be fully connected to the UK's high speed rail network. However, there are commitments to delivery interventions on the ECML between York and Newcastle to lift the capacity from six trains per hour to seven or eight. The strategic outline business case (SOBC) for this work is underway, part funded by the North East JTC.

Dependent on the outcome of government's Integrated Rail Plan (IRP) for the North and Midlands and the Restoring Your Railways bid for the reopening of the Leamside Line, prepare strategic outline business cases (SOBCs) for local rail services and an umbrella SOBC. This umbrella SOBC will encompass the various projects looking to use the Leamside line to achieve an integrated solution which maximises North East benefits.

Despite the disappointing outcomes of the IRP, work is progressing to complete the umbrella SOBC. This will provide a framework within which individual projects can be taken forward. This work is due to conclude in March 2022. A SOBC is being commissioned for a Metro extension along the northern section of the Leamside Line linking South Shields, via Washington, to Sunderland. This is being jointly funded by the North East LEP and the JTC.

Continue to support Northumberland County Council to prepare the full business case for the reintroduction of passenger services onto the Northumberland Line, which is scheduled to be submitted in Autumn 2021.

The full business case was submitted to the DfT in December 2021 and gained ministerial approval. In tandem, progress is being made with both the planning applications for the new stations and the legal orders required to secure permission to allow the infrastructure works to proceed. The public inquiry covering the required Transport and Works Act has concluded and the inspector's report is awaited.

Ensure that pipeline of schemes to support economic recovery identified in the North East Transport Plan is managed as a live programme.

A capital pipeline of schemes was agreed in the Transport Plan. New funding opportunities such as the Active Travel Fund Tranche 3 and ZEBRA funding will be integrated into our capital programme following potential successful regional bids to DfT. Announcements on these funds are expected in March 2022. A prospectus and pipeline of schemes which could be delivered through a City Region Sustainable Transport Settlement for the region has been developed and will also be integrated into our capital programme, subject to confirmation of the North East's eligibility to bid for funds. A programme management framework has now been agreed by the JTC. The framework details how the Transport Plan programme will be managed and updated including reporting to the JTC on progress towards delivery.

Continue to develop regional transport strategies and policies that align with the North East Transport Plan.

Produce a North East Rail and Metro Strategy to complement the North East Transport Plan.	A consultation draft was approved by the JTC on 2 February 2022. Public consultation is taking place between 14 February and 11 April 2022. Once any revisions are made we will seek JTC sign-off of the strategy in the summer of 2022.
Develop and publish a Zero Emission Policy during 2021/22 that sets out our regional commitment to the future of zero emission vehicles.	A Zero Emission Vehicle Policy for the region has been drafted and is awaiting sign-off for publication.
Deliver a strategy by March 2022 that sets out how we will communicate with individuals, businesses and communities across our region to encourage people to make more sustainable transport choices.	A strategy is being developed to encourage people to think through their travel options for the journey they wish to make, encouraging them to make the most suitable option whenever possible. The strategy will be published 2022/23.
In collaboration with bus operators, produce a Bus Service Improvement Plan, to take advantage of funding available through government's National Bus Strategy.	Working with bus operators, we have produced the region's first Bus Service Improvement Plan (BSIP) which was submitted to government in October 2021. The next step is to agree a draft Enhanced Partnership scheme by 30 April 2022 and enact this by March 2023 or earlier if required by DfT.



Investment and Infrastructure

Key deliverables – what we will deliver between April 2021 and March 2022

Progress

Continue to manage the already secured North East LEP funding effectively.

Report quarterly performance monitoring dashboards to the North East LEP Investment Board.

Programme Managers attended and presented performance information and dashboards at six North East LEP Investment Board meetings during 2021/22.

Monitor programme level risks via the Technical Officer Group.

Technical Officer Group Meetings were held prior to each Board to discuss programme performance, risks and outline recommendations ahead of North East LEP Investment Board meetings. The Investment Board papers can be found [here](#) on our website.

Deliver the Local Growth Fund (LGF) programme including reporting, as required, performance to the Ministry of Housing, Communities and Local Government. Key project infrastructure outputs by 31 March 2022 include:

1. Jarrow Business Centre – manufacturing workspace completion.
2. Gateshead Quays – work to commence on £300 million arena, conference and exhibition centre.
3. East Pilgrim Street, Newcastle – ongoing public realm improvement and Bank House office construction.
4. Pattern shop, Stephenson Quarter – 3,238m² of refurbished commercial floorspace completed.
5. VCSE infrastructure programme – 14 projects completed delivering 10,800sqm of new/refurbished learning space, 262,000sqm of improved green space and 10 community buildings refurbished.
6. Northumberland Energy Park Phase 1 – site reclamation completed – 17 ha of development land and new dock facility.

Bi-annual performance reports have been submitted to government during the year.

Update on key infrastructure projects (numbers below refer to key on left):

1. Construction completed; 740m² of floorspace, first tenant expected by end of March 2022.
2. Multi-storey car park in construction and enabling works underway with main works contract re-programmed to start Q1 2022/23. Sage announced as main sponsor by Gateshead Council.
3. Construction of Bank House office in progress, main public realm works re-programmed to commence following works on Bank House completion in Autumn 2022 and to better align to major plans announced for the northern block site and re-development of the fire station into a hotel.
4. Enabling works are completed, main refurbishment contract to commence on site in quarter four of 2022.
5. The 14 projects are largely delivering to programme, but some delays reported, mainly due to COVID-19. Consequently, four or five projects are now planned to complete in 2022/23.
6. Main contractor works anticipated to be completed by June 2022. JDR Cables announced plans for a major manufacturing facility on the site with the creation of 170 jobs in 2024.

In addition, we have continued to invest in the nationally important International Advanced Manufacturing Park (IAMP) site where a new £450 million gigafactory has been confirmed and is planned to be built by Envision AESC in 2024. In Newcastle works started on the Central Gateway project, commencing with the creation of a new pedestrian entrance to the western dock at Central Station.

<p>Deliver the Getting Building Fund (GBF) programme including quarterly performance monitoring returns to Ministry of Housing, Communities and Local Government.</p> <p>Key infrastructure outputs by 31 March 2022:</p> <ul style="list-style-type: none"> • Public realm improvements in town and city centres totalling 26,229sqm • Construction of new commercial, industrial and retail space totalling 21,200 sqm by 31 March 2022 • Supporting over 1,471 construction jobs • New R&D facilities totalling 3,550sqm • New learning floorspace of 1,137sqm • 1,350 new superfast broadband connections • 175 new jobs created and 170 jobs safeguarded • 4.4km of new or improved roads/cycleways. 	<p>Performance outputs are forecast to be below target on most indicators this year due to construction industry challenges, with most projects now planning to be physically completed during 2022/23. Reported construction jobs to the end of quarter three totalled 348, new jobs created totalled 109 and 1,315sqm of commercial floorspace was completed. Three projects withdrew from the programme during the year, one due to the project being no longer affordable due to increased construction prices.</p>
<p>Manage the legacy budget from the LGF programme 2015-21 including £15 million (tbc) programmed to support a mix of revenue and capital projects.</p>	<p>By the end of quarter three, expenditure totalled £6 million, with a revised outturn forecast for the year of £10 million. Several projects have reported slippage into 2022/23. The number of new jobs reported by the end of quarter three was 541 and is forecast to exceed 1,500 by the year end.</p>
<p>Complete the LGF/Enterprise Zones (EZ) programme independent interim evaluation by 30 June 2021. Complete at least 10 project evaluations, which will be delivered by partners by March 2022.</p>	<p>Interim evaluation of the LGF and EZ programmes, which included six in-depth case studies, reported to the Investment Board and North East LEP Board in September 2021. Further details can be accessed here. In addition, four strategic project/mini programme evaluation reports have been received.</p>
<p>Ensure that the Local Assurance Framework is adhered to when making funding decisions by maintaining the operational management structures and decision-making accountabilities within the North East LEP.</p>	<p>All investment decisions made during the financial year were in accordance with the published North East LEP Assurance Framework. The Framework can be accessed here.</p>
<p>Continue to manage the already secured North East LEP funding effectively.</p>	
<p>New businesses to begin operating on the Enterprise Zones, including at Follingsby Max in Gateshead.</p> <p>By March 2022, Enterprise Zone sites to become home to more than 3,000 jobs with the North East LEP investment having been more than £100 million, unlocking more than £210 million of follow-on investment.</p>	<p>Amazon developments on the Follingsby Max EZ site became operational in Autumn 2021 and the site now employs more than 1,300 people. Across all EZ sites, there are now 1992 jobs in 61 businesses.</p> <p>A cumulative total of £75 million from EZ infrastructure funding has been spent on readying EZ sites for private sector investment. Grant funding has been prioritised this year, ahead of EZ borrowing where sites are receiving both grants and borrowing.</p>

Continued investment from and repayment to the North East Investment Fund to support infrastructure investment in North East LEP area.	There has been continued receipt of the repayments to the North East Investment Fund as well as investments, including the extension of the North East Property Development Fund by £10 million. Investment through the North East Property Development Fund has achieved to date:
Have significant infrastructure works underway or complete on four more EZ sites, that will be ready to secure private sector investment at:	Investment through the North East Property Development Fund has achieved to date:
<ul style="list-style-type: none"> • Northumberland Energy Park • Port of Sunderland • Ashwood Business Park in Northumberland • Holborn 2 in South Tyneside. 	<ul style="list-style-type: none"> • 37 investments • 151 housing units • 3,504 sqm of commercial floor space • 128 jobs created. <ul style="list-style-type: none"> • Northumberland Energy Park infrastructure is expected to be fully complete by June 2022. End user investment has been secured, with JDR Cables planning to operate from the site in 2024, creating around 170 jobs. • Port of Sunderland infrastructure to the East Shore element of the EZ sites is completed, which has led to an end user investment being secured, with QuantaFuel planning to operate from the site by 2023/24, creating more than 100 jobs. • Two investors have been secured on Ashwood Business Park, with both Contec and EuroGarages confirming they will operate from the site by 2022/23. • Works to internal roads have been completed, with build underway for a joint venture between SSE and Equinor for an operation and a maintenance base relating to the Dogger Bank offshore wind farm. By 2023/24 this investment will create around 200 jobs.
Coordinate partners to develop a regional project pipeline based on spatial economic priorities.	
Develop a strategic project pipeline for the North East, building on the work carried out during the development of the Local Industrial Strategy, the COVID-19 Economic Recovery Plan and previous regional pipeline work.	A strategic pipeline has been developed with local authority and transport partners. This will continue to be updated in 2022/23 and supported through the Project Development Accelerator Fund and the Innovation Pipeline prioritisation work.
Facilitate prioritisation of shovel-ready projects through regional collaboration and make preparations for government's future funding announcement including the proposed Shared Prosperity Fund.	Two funding calls were held under the Project Development Accelerator Fund which invited applications from projects that had potential to be implemented in 2023 through successful bidding into government funding programmes. Further funding calls will be planned for 2022/23, informed by the Levelling Up white paper and regional evidence.
Manage the second-year budget of £23.5 million of Getting Building Funds (GBF) across the North East. The North East LEP has allocated up to £8 million of additional resources to this programme to add value and to help deliver greater impact.	£23.5 million of GBF budget allocation remains on course to be fully spent during the financial year. There are 21 live capital projects including six under the Commercial Property Investment Fund pilot scheme. Projects have been managing unprecedented challenges in the construction industry including price increases, capacity constraints, material shortages and COVID-19 disruptions. Despite these challenges, a few projects remain on track to complete this year, including phase one of the Bedlington Town Centre re-development scheme, NU Futures' new building in Newcastle and internal highway and quay infrastructure works at Tyne Dock in South Tyneside.
Secure additional investment in the North East including resources to support COVID-19 Economic Recovery Plan.	

Develop a Project Development Fund to accelerate the volume and quality of shovel-ready projects making use of North East LEP resources (subject to North East LEP Board approval).

The Project Development Accelerator Fund was established during the year with two project calls held to date. 21 strategic projects across the region have been supported with a total investment of £1.8 million.

The approach and focus for future project calls is to be considered by the North East LEP Investment Board later in 2022.

Work with and support local authorities throughout the year to understand plans to bid for funding from the Levelling Up Fund.

Four Levelling Up Fund bids from local authorities were successful: Durham transport improvement in Bishop Auckland; two in Newcastle for the regeneration of Grainger Market/Old Eldon Square and wellbeing hub in West Denton; and Sunderland Housing Innovation and Construction Skills Academy. To better position the region for future Levelling Up Fund rounds, funding has been awarded to several prospective projects through the Project Development Accelerator Fund.

Deliver the final development phase of the Commercial Property Investment Fund (CPIF) and launch the fund.

Procurement of the Commercial Property Investment Fund (CPIF) Fund Manager progresses with the Fund Manager expected to be appointed at the end of March 2022.

We will:

The launch of the CPIF programme will take place following the procurement of the Fund Manager.

- Procure a CPIF Fund Manager between April 2021 and January 2022
- Launch the CPIF programme in March 2022
- Contract several new CPIF pilot programme projects between April and August 2021, with resources from the Getting Building Fund to be delivered by March 2022
- Continue to develop the pipeline of projects throughout the year to maximize take-up once the fund is live.

A total of five projects have received funding from the GBF-funded pilot:

- Portland House
- Airview Park
- Bessemar Court
- The Former Gilbridge Police Station
- Tyne Tunnel Trading Estate Unit 6
- Panther Court, Drum Industrial Estate.

A pipeline of potential CPIF projects remains under development in preparation for the launch of the new CPIF in May 2022.

Continue to maximise national reserve funding from the European Structural Investment Funding and ensure the full reserve allocation is delivered within the region.

The Government has focused allocation of reserve funds on activity relating to COVID-19 recovery, and the North East has received additional funds for Growth Hub activity and high street investment via the local authorities.

Increased access to finance for businesses to invest.

Work with the North East Fund Ltd. to maximise its investment potential for North East SMEs.

Targets:

- £120 million of funding invested
- 635 initial investments
- 600 different SMEs supported.

Develop and deliver a regional Access to Finance programme, which will look at supply and demand within the region and consider the development of the successor to the North East Fund Ltd. Continue to support North East Finance and North East Access to Finance to optimise use of legacy funding to support North East initiatives.

The North East Fund has completed 364 investments, investing £76 million to date. The fund has now provided financial support to 349 different SMEs.

A strategy for maintaining a regional investment fund is being developed to ensure that there is no period between the current programme and any future provision, including the government announcement through Comprehensive Spending Review of the British Business Bank led new £660 million investment fund for northern LEPs.

Broader work on the Access to Finance programme (to include supply and demand potential support requirements) continues as we assess the current supply and demand for finance by SMEs in the region and liaise with potential fund managers to further understand their offer.

Strategy, policy, evidence and analysis

Key deliverables – what we will deliver between April 2021 and March 2022

Progress

Building and encouraging use of the evidence base.

Strengthen our research, evidence and analysis programme by:

- Supporting the North East LEP's delivery programmes (Strategic Economic Plan, COVID-19, sectors) and external stakeholders to improve the evidence and analysis underpinning their work
- Coordinating a corporate approach to data licences, tools, procurement, and visualisation
- Developing tools, advice and support to ensure North East LEP teams and stakeholders can operate to best practice standards in research, analysis and evaluation. Examples include standardisation of quality questions, support with writing research specifications, and developing 'how to' guides for using the North East Evidence Hub.

- We continue to support teams within the North East LEP and external stakeholders on data, research and evidence activities. Particular projects have included analysis of trade and export data, our areas of strategic importance to inform the ongoing strategy work, COVID-19 intelligence, research exploring the impact of COVID-19 on the Good Work Agenda and flexible working, and digital exclusion in the North East LEP area.
- Reviewing all corporate data licences to ensure they meet the needs of the LEP and our partners is ongoing – with consideration being made to value, usage and budgets.
- Refinement of our processes has been a priority during 2021/22, with key activities to support best practice research and analysis including:
 - Appointing a data specialist to develop a corporate data strategy to support collation, analysis and visualisation of both internal and external data
 - Taking the decision and securing funding to re-platform the North East Evidence Hub to allow for the presentation of research alongside data outputs, allowing more functionality, flexibility and the incorporation of tools such as Power BI, Map Box and analytical software such as R. (the re-platforming decision is why the how to guides were not progressed)

Standardising our approach to procurement through a cross North East LEP working group.

Strengthen communication and dissemination of key strategy, policy data and research findings by:

- Reviewing and developing the North East Evidence Hub as a key platform for regional evidence and analysis, and implementing a marketing plan to increase engagements and usage of the site by 100% from 2,500 yearly visitors to 5,000
- Enhancing the North East LEP's commentary on key economic issues and evidence in priority areas
- Delivering the Our Economy programme
- Producing commentary pieces on key pieces of data and analysis, including the main and programme targets identified in the North East Strategic Economic Plan, and priority strategy and policy themes.

- The North East Evidence Hub received xx visitors between 1 April 2021 and 31 March 2022. General engagement with the hub has increased, but technical issues and development frustrations led to the decision to re-platform the site as a priority during 2021/22.
- We have produced analysis and commentary about topics such as the local labour market, regional trade and exports, and retail and recreation footfall using Google mobility data.
- Our Economy 2021, which consisted of our annual state of the region report and a summative assessment of the impact of COVID-19 and the EU transition, was published on 7 October. An online event launch was held, with 147 people in attendance.
- We have produced briefings and commentary about fiscal and policy events, including the Budget and comprehensive spending review, the Levelling Up White paper and Net Zero strategy. We have launched and commented on our North East trade strategy (Global North East: Driving growth in North East trade and exports) and comment regularly on the ONS data release linked to the North East Strategic Economic Plan.

Driving forward collaboration in research and data by:

- Coordinating the North East Economic Evidence Forum and strengthening the group as a recognised platform for the discussion, collaboration and development of the regional evidence base
 - Working with North East universities to build the quality and quantity of research projects to support regional economic development and to help secure new sources of investment
 - Working with the NP11, Transport for the North and other northern and national partners to define a collaborative approach which can enhance the North East's access to evidence and data.
- The North East Economic Evidence Forum has met three times during 2021-22 and agreed priorities for regional evidence base development activity, which included the impact of COVID-19, Levelling Up, innovation in communities, and engagement with the Northern Powerhouse Independent Economic Review. We hosted speakers from Durham University and Transport for the North and have set up a subgroup to review the government's proposed metrics regarding the Levelling Up White Paper.
 - We supported the recently awarded bid to Research England for the Insights North East project, led by Newcastle University, which will create opportunities to strengthen academic engagement with regional policy and strategy processes through enhancing our regional evidence base. We have continued to strengthen our collaborative research relationship with Durham University having taken forward a number of projects, such as a review of the impact of COVID-19 on the Good Work Agenda, and hosting a PhD student placement to support our COVID-19 intelligence. We are exploring opportunities for future funding and collaborations such as policy fellowships.
 - We've continued to work with partners to enhance access to evidence and data, including:
 - We are represented on the North East and Yorkshire Regional Productivity Forum, established as part of the ESRC funded Productivity Institute and led by a consortium of UK universities to explore the issue of the UK's underperformance on productivity. The priorities of the institute are to develop a programme of research and analytical projects to understand productivity issues and challenges in the two regions.
 - On behalf of the NP11 group of Northern LEPs and Transport for the North - working with a Steering Group from other LEPs and MCAs - the North East LEP commissioned Metro Dynamics to report on opportunities to strengthen the pan-Northern economic evidence base to support strategy development and policy. The report has been well received by the NP11 Board and government, and proposed the creation of a Northern Evidence Network (NEN). The NEN is exploring plans for data sharing and development, commissioning of evidence, and joint work with ONS and other agencies to improve regional data and support for northern level policy and strategy.
 - Northern Powerhouse Independent Economic Review (NPIER): Through the NEN network, we have co-ordinated local input into the early stage of the update of the NPIER with Transport for the North to ensure this key document accurately reflects local economic circumstances.

New strategy projects

- Continue to scan the environment for the North East region and the LEP, and determine approaches to identified opportunities and challenges
- Monitor development of planning policy and the work of the National Infrastructure Commission to identify issues and opportunities for the North East
- Develop a proposal for a mapping tool utilising GIS systems across the region to strengthen tools supporting development
- Develop and deliver an Advanced Manufacturing strategy
- Continue to support tourism partners to develop a strategic approach to recovery and future growth and development of the sector, including:
 - The development of a statement of intent
 - Responding to the review of Destination Management Organisations (DMOs)
 - Prepare for a future sector vision and possible Action Zone
- Develop a framework for North East LEP action to address inclusion and inequality in the region
- Ensure collaborative structures and work programmes are in place for agreed policy activity and to share intelligence between partners including ongoing support for the Economic Prospects Group working with the Bank of England.

Spatial and infrastructure development activity

Following on from publication of the National Infrastructure Assessment, we are supporting a number of key areas of activity linked to spatial and infrastructure development:

Cabinet Office Geo-spatial strategy: The North East LEP continues to support Wwork being progressed in the region on the National Underground Asset Assessment as part of is continuing to move forward in the region, as part of the UK Geo-spatial strategy led by the Cabinet Office. The project will deliver a full mapping of the region's underground infrastructure, helping to strengthen co-ordination of development and manage disruption. A specification for consultants has been developed by the a Steering Group including local government, utilities, the LEP and environmental bodies. Once in place the data could potentially provide a context for a range of data and resilience-based interventions and innovations.

We have met with Land Registry who are moving forward a second related piece of work to develop the Local Land Charges (LLC) programme, bringing together LLC data previously held by LAs in different formats throughout England and Wales into a single digital and geospatial dataset which will enable swifter access to data and facilitate digital innovation using the data. County Durham is one of the pilot areas for this project and there is a possibility to accelerate the project across the other LA areas in the region.

Advanced Manufacturing: Development of the Advanced Manufacturing strategy is underway with a full review of evidence due to be completed by October 2022. A project plan has been developed to take the strategy development forward, and will formally establish the Advanced Manufacturing Steering group before the end of Q4/2021-22.

Tourism: Regional partners have developed a Statement of Intent as a framework for joint working, building on the collaboration which underpinned the Tourism Action Zone preparation work in 2020-21 and this was presented to the North East LEP Board in September 2021. North East DMOs and the North East LEP responded to the Review of DMOs, including hosting a workshop in the region on June 9 2021 with Nick de Bois, Chair of Visit England and of the Review. Following publication of the Review on September 14, the regions DMOs wrote to the new Secretary of State to emphasise support for its full implementation. Work is underway to take forward the statement of intent including actions on skills, events and regional support for the Durham City of Culture bid, whilst aiming to demonstrate our potential to be a pilot or pathfinder Destination Development Partnership (DDP) envisaged in the Review if that opportunity arises. The group is also preparing a proposal for a set of regional products to enhance the scale and quality of the regional offer including itineraries, sustainability and internationally focused products.

Inclusion and inequality: Discussions have been ongoing throughout the year to understand the LEP's inclusion agenda and how this relates to partners in the region. An assessment of key data showing the nature of exclusion within the North East has been completed as has an analysis of current action across the region. We have joined the LA7 Inclusive Economy Network, led by South Tyneside Council and the North of Tyne Combined Authority, to share information, resources and best practice on the development of inclusive economy policies across the North East.

Co-ordination of economic intelligence: The Economic Prospects Group continues to meet monthly. It shares information and data between partners, helping to inform the Bank of England regional Agents' inputs to national level and comparing intelligence to enhance a shared view of issues in the North East economy.

Coordinating and supporting on regional strategy and policy projects.

Net Zero

- Develop an evidence base with government and partners to demonstrate plausible pathways towards Net Zero in the North East
 - Work with partners across the region to build activities to accelerate regional action towards Net Zero, developing a more sustainable and resilient economy and natural environment
 - Co-ordinate work within the North East LEP to accelerate the drive towards Net Zero.
- Significant work has been done with the region to develop an evidence base, identify areas for action and future opportunities for the North East's journey towards Net Zero. A steering group was established, who have agreed a plan to bring together business, local authorities, environmental leaders and the North East Climate Coalition into a regional collaboration programme - Net Zero North East.
 - We continued to work regionally and nationally on this agenda by:
 - Supporting government on the development of their regional report. Published on 19 December, it models the economic impact of the transition to Net Zero in the North East and Tees Valley.
 - We have enabled the delivery of the Green Homes Grants Local Authority Delivery programme, and Rural Community Energy Fund. We are working with partners to prepare for delivery of the Public Sector Decarbonisation Skills Fund in 2022-23, and preparing for the transition of the North East and Yorkshire Local Energy Hub to a Net Zero hub that will provide sub-national point of co-ordination for work across the Net Zero agenda
 - Continuing to work on the next stages of the Mine Energy White paper, in addition to developing solutions to the barriers set out in the White Paper.
 - Supporting the development of the Environmental Leaders Network, which is led by the Environment Agency, as a collaborative platform for work on the environment in the region
 - Working with teams within the North East LEP to take forward projects on decarbonisation and Net Zero, for example, by securing resources from the Local Energy Hub to support the analysis of future skills needs for green jobs, and to drive forward work on geo-thermal energy.
-

Internationalisation

- Publish the North East Trade and Export Strategy
 - Work with other northern LEPs and the Department for Business and International Trade (Is this Department for Business, Energy & Industrial Strategy and Department for International Trade?) to ensure that future national and Northern Powerhouse strategies respond to the North East strategy
 - Through a second phase of work, strengthen the evidence base and develop specific proposals identified in the strategy, including:
 - Target exporter development at firm level
 - Align and promote views of market opportunity for the North East with northern, UK and overseas services
 - Define and agree approaches to develop and strengthen the export support ecosystem
 - Improve communication and promote collaboration to enhance trade and exporting.
 - Strengthen the alignment between international facing activities in the region, between trade, inward investment, innovation and higher education.
- [Global North East: Driving growth in North East trade and exports](#) was published on 21 June. It sets out a place-based strategy to improve trade and exports in the context of wider internationalisation of the North East economy
 - The report was presented to the national Department for International Trade (DIT) team working on the UK Trade strategy, North East Members of Parliament, and at DIT workshops as part of UK Trade Week. Work continues with the Northern Powerhouse to support the development of northern propositions and trade missions and ensure alignment and ongoing conversations about resourcing delivery.
 - A second report that identifies proposals for implementation across workstreams including intelligence, business support, communication to target markets, regional networking and stakeholder management, and strengthened links between internationally facing action has also been completed.
 - Full implementation of these reports is being discussed between the North East LEP and the Department for International Trade as the UK Trade strategy is moved forward, including the development of proposals for targeting markets across international functions including trade, inward investment, and science.

Devolution

- Monitor and respond to developments in national government policy relating to devolution, including the LEP review and Levelling Up White Paper
 - Support regional partners to secure and implement additional devolution to the region.
- We've worked with the LEP Network and government to:
 - Inform the LEP Review, leading nationally on key work streams, which has led to government reinforcing the role of LEPs to lead economic development.
 - Influence content of the Levelling Up White Paper, in particular supporting greater regional devolution and the positive contribution LEPs make.
 - We remain poised to support local and combined authority partners to maximise devolved powers and funding to the region, having prepared the economic evidence material to inform the strategic business case and having the knowledge and experience to shape the regional programmes required to grow the economy.
-

EU Exit

Through the EU Exit Implementation Group, we will:

- Continue to monitor the impact of new trade arrangements with the EU and report intelligence and insights to government and the LEP team
- Working with the group and sector representatives, produce a report on the impact of EU Exit on key North East sectors
- Provide a platform for joint consideration of future internationalisation approaches for the North East in the context of new trade deals and international policy
- Update the evidence base with the latest data about the opportunities and challenges for businesses and sectors
- Identify opportunities and challenges arising from post-EU Exit domestic policy, and co-ordinate regional response as required. Focus areas to include the labour market, funding, and regulation.

Through the EU Exit Implementation Group, we have:

- Continued to monitor aspects of implementation through the Trade Agreement, in domestic policy, and report on issues impacting on the region. This intelligence from the Group has been fed through the North East Growth Hub reporting framework and the Economic Prospects Group
- Commenced the development of a report that summarises the impact of EU Exit on key North East sectors that will be published in the early summer of 2022
- Considered future internationalisation approaches for the North East by inviting the Department for International Trade's regional lead to the August 2021 meeting, where they provided an update on Free Trade Agreement negotiations. The Group has continued to update its understanding of sectoral opportunities and challenges, and we updated the quantitative data for key sectors and areas such as labour and migration
- Coordinated responses with the support of the Group to the Migration Advisory Committee's call for evidence on the impact of the end of free movement on the adult social care workforce and the Department for BEIS consultation on subsidy control
- Responded to the Department for International Trade's consultation on trade between the UK and the Gulf Cooperation Council on behalf of the Group and regional stakeholders.

Northern Powerhouse

- Through the Northern Powerhouse Co-ordination Group, ensure there is a regional response to the development of the Northern Powerhouse agenda across transport, economic development, energy, and intelligence workstreams
- Co-ordinate North East LEP engagement with the NP11
- Working with NP11, Transport for the North and other partners, lead the development of a project to assess the opportunities to strengthen the evidence base about the northern economy.

- We are represented in priority areas across the Northern Powerhouse agenda and been an active member of the Co-ordination Group. The group have provided intelligence updates on transport, energy, and innovation workstreams, and engaged with partners across the North of England and co-ordinated submissions to the Autumn Budget and Spending Review.
 - We commissioned Metro Dynamics, on behalf of the NP11, to explore the value of a Northern Evidence Network to help facilitate co-operation across the North in data and evidence development. The report was well received, and we will take a leading role in the implementation of a Northern Evidence Network.
-

New strategy projects

- Continue to scan the environment for the North East region and the North East LEP, and determine approaches to identified opportunities and challenges
 - Monitor development of planning policy and the work of the National Infrastructure Commission to identify issues and opportunities for the North East
 - Develop a proposal for a mapping tool utilising GIS systems across the region to strengthen tools supporting development
 - Develop and deliver an advanced manufacturing strategy
 - Continue to support tourism partners to develop a strategic approach to recovery, future growth, and development of the sector, including:
 - The development of a statement of intent
 - Responding to the review of Destination Management Organisations (DMOs)
 - Prepare for a future sector vision and possible Action Zone
 - Develop a framework for North East LEP action to address inclusion and inequality in the region
 - Ensure collaborative structures and work programmes are in place for agreed policy activity and to share intelligence between partners, including ongoing support for the Economic Prospects Group working with the Bank of England.
- Work continues on a number of other key areas of activity:
- Cabinet Office Geo-spatial strategy: The North East LEP continues to support work being progressed in the region on the National Underground Asset Assessment as part of the UK Geo-spatial strategy led by the Cabinet Office. The project will deliver a full understanding of the region's underground infrastructure, helping to strengthen coordination of development and manage disruption. A specification for consultants has been developed by the Steering Group, including local government, utilities, the North East LEP and environmental bodies. Once in place, the data could potentially provide a context for a range of data and resilience-based interventions and innovations.
 - We have met with Land Registry who are moving forward a second related piece of work to develop the Local Land Charges (LLC) programme, bringing together LLC data previously held by local authorities in different formats throughout England and Wales into a single digital and geospatial dataset that will enable swifter access to data and facilitate digital innovation using the data. County Durham is one of the pilot areas for this project and there is a possibility to accelerate the project across the other local authority areas in the region.
 - Detailed work on the delivery of the advanced manufacturing strategy is underway with a full review of evidence being completed and the membership of leadership structures being developed. The first meeting of a Steering Group will consider the evidence base and develop the plan of action for the strategy.
 - Regional tourism partners have developed a Statement of Intent as a framework for joint working, building on the collaboration which underpinned the Tourism Action Zone preparation work in 2020-21. This was presented to the North East LEP Board in September 2021. North East destination management organisations (DMOs) and the North East LEP responded to the Review of DMOs, including hosting a workshop in the region on 9 June 2021 with Nick de Bois, Chair of VisitEngland and of the Review. Following publication of the Review on 14 September 2021, the region's DMOs wrote to the new Secretary of State to emphasise support for its full implementation. In the meantime, work is underway to take forward the Statement of Intent including actions on skills, events and regional support for the Durham City of Culture bid, whilst aiming to demonstrate our potential to be a pilot or pathfinder DPP if that opportunity arises. The group is also preparing a proposal for a set of regional products to enhance the scale and quality of the regional offer, including itineraries, sustainability, and internationally focused products, building on the work done for the Tourism Action Zone bid.
 - Discussions have been ongoing throughout the year to understand the LEP's inclusion agenda and how this relates to partners in the region. An assessment of key data showing the nature of exclusion within the North East has been completed, as has an analysis of current action across the region. We have joined the LA7 Inclusive Economy Network, led by South Tyneside Council and the North of Tyne Combined Authority, to share information, resources and best practice on the development of inclusive economy policies across the North East.
 - The Economic Prospects Group continues to meet monthly. It shares information and data between partners, helping to inform the Bank of England regional Agents' inputs to national level, and comparing intelligence to enhance a shared view of issues in the North East economy. Key issues highlighted through the year include the impact in changes in costs and inflation on the economy, the strength of the inward investment pipeline, and challenges in the labour market.

North East LEP public policy actions

- Continue to brief the North East LEP Board on future policy priorities
- Further develop the approach to public policy set down in March 2021 following the outcome of LEP review process
- Complete stakeholder mapping exercise and identify priority audiences for public policy messaging.

The LEP Board has been briefed on public policy developments including key fiscal events the budget and comprehensive spending review, the Levelling Up White Paper and Net Zero and trade strategies

- The Levelling Up White paper provided the context for the high-level government response to the LEP Review, with the future direction of policy likely to see LEP's integrating into Mayoral Combined Authorities. In expectation of further development of North East governance, we have developed our evidence base to include analysis of the economic geography of the region. We are also preparing to work closely with colleagues in Combined and Local Authorities on future devolution programmes
- A stakeholder mapping exercise was completed to identify key ministerial and civil service stakeholders for LEP programmes and forthcoming government policy. Work is ongoing to co-ordinate stakeholder engagement across the LEP, and to review national policy developments that affect LEP strategies. It has been acknowledged that an effective CRM is required to implement this fully across the organisation.

Coordinating corporate and regional strategy development.

Work with the Board to agree a strategic approach to future regional economic strategy development including:

- Baseline and updating the economic evidence base in preparation for an update of the North East Strategic Economic Plan and/or other strategic processes
- Evaluate and implement the approach required at regional level to respond to Government's Plan for Growth
- Prepare to support an economic review project in advance of any future devolution process.

The updating of the North East Strategic Economic Plan is directly linked to the LEP review, governments Levelling Up White Paper, and the regional devolution agenda. We continue to prepare and update our economic evidence base ready to respond to the regional economic agenda, including producing Our Economy as our annual analysis of the performance of the regional economy.

We have reviewed the executive summary of the Strategic Economic Plan and are ready to begin to prepare for the next iteration of the Strategic Economic Plan as the regional devolution story and national growth policy becomes clearer.

Support and coordinate activities which support the immediate and longer-term economic response to COVID-19 including:

- Continuing publication of the evidence base
- Support for the actions derived from the North East COVID-19 Economic Response Group and the Economic Response Plan
- Evaluate, and support discussion about, the impact of the North East COVID-19 Response Group to support future regional resilience.

Monitoring the impact of COVID-19 on the regional economy has continued to be a priority theme as part of our ongoing evidence base.

- The North East COVID-19 Economic Response Group continues to meet, but has been designated as the North East Regional Economy Group, providing the point of coordination across economic partners to oversee the update of future economic plans as we move through the post-pandemic recovery phase.

Support the alignment and development of strategic processes led by partners including the North East Transport Plan.

The North East Transport Plan has been the priority during 2021/22. It has now been published and was developed in partnership and in alignment to the North East Strategic Economic Plan. Future actions will be incorporated into the annual delivery plan.

Governance

Key deliverables – what we will deliver between April 2021 and March 2022

Progress

Continue to embed the LEP Review recommendations and develop a system of good governance.

Update and agree the North East LEP Constitution at the May 2021 North East LEP Board.	No changes were needed this year. The Constitution can be read here .
Hold a public Annual General Meeting.	A public Annual General Meeting was held virtually on 25 January 2022. The presentation slides for the meeting can be found here and it was attended virtually by 316 people.
Update the Assurance Framework in January 2022.	The North East LEP Assurance Framework was reviewed, updated and published here in September 2021 following the publication of the National Local Growth Assurance Framework v.4.
Establish an informal Chair and Sub Board Chairs' group to improve cross programme work and meet on a two monthly basis.	The Cross Chairs Meeting has met on a two monthly basis and has ensured that cross programme working has been able to progress delivery. Each meeting has focused on a different programme or LEP update as directed by the group, as outlined below: <ul style="list-style-type: none"> • Sectors update and next steps • Communications strategy • Innovation and innovation delivery partnerships • Skills employment, inclusion and progression programme overview • Development of the North East Strategic Economic Plan executive summary and next steps.
Complete a review of the North East LEP's decision-making process, provide a detailed briefing to the team and ensure the information is accessible for reference.	Internal decision-making processes have been updated through training and guidance with the North East LEP team. This includes a review of how we capture decisions to inform best practice and ensure accessibility for reference, and report to the senior leadership team.
Complete an annual review of the sub board membership and update Terms of Reference.	The membership update was held in abeyance pending the outcome of the LEP Review and will be updated during 2022/23.
Encourage engagement with North East LEP corporate documents - increase downloads of the North East Strategic Economic Plan, Annual Review and Our Economy by 10%.	Downloads of the full North East Strategic Economic Plan increase from 883 to 1033 from 12 months previous - this is an increase of 20%. Downloads of the North East Strategic Economic Plan executive summary: increased from 357 to 694 for the same period the previous year - an increase of 61%.

Increase both followers and engagements on Twitter and LinkedIn by 15% from the following baseline figures:

Twitter followers: 12,376

LinkedIn followers: 3,889

Engagements over the year: 5,604

Twitter followers are currently 12,927. LinkedIn followers stand at 9,843 and engagements over the year were 5,604.

Continue the evaluation of the North East Strategic Economic Plan delivery.

Continue to work with Steer Economic Development consultants to deliver and finalise the interim external evaluation of the North East Strategic Economic Plan. During 2020/21 they will deliver the specific actions agreed as part of the programme for the year including:

- Delivering a strategic case study of the impact and strategic added value of the work of the COVID-19 Economic Response Group
- Undertaking a targeted review of the Local Growth Fund programme as it enters its closing phases
- Carrying out the next phase of assessment and stakeholder consultations for the programmes of delivery and areas of strategic importance
- Examining the impact of cross-cutting activities of the North East LEP including communications and strategy and policy
- Assessing the impact of new developments at national level, in particular the publication of the revised Green Book.

We finalised the interim external evaluation of the SEP in December 2021. The executive summary and supporting blog was published and the findings were presented to the LEP Board. As part of this activity, Steer-ED completed:

- Detailed case study on how the regional COVID-19 Economic Response Group and the North East Growth Hub responded to the pandemic
- The interim evaluation of the Local Growth Fund and Enterprise Zone programmes, which was published in February 2022.
- Updated programme logic models, quantitative and qualitative analysis on the SEP, programmes of delivery and areas of strategic importance.
- Assessed the LEP's strategic added value in relation to leadership, influence, synergy and engagement through deep dive cases across our teams.
- Supported the LEP team to understand the relevant changes within the revised Green Book and how we should approach the final evaluation of the SEP. A draft framework of this activity was provided alongside the final interim evaluation report.

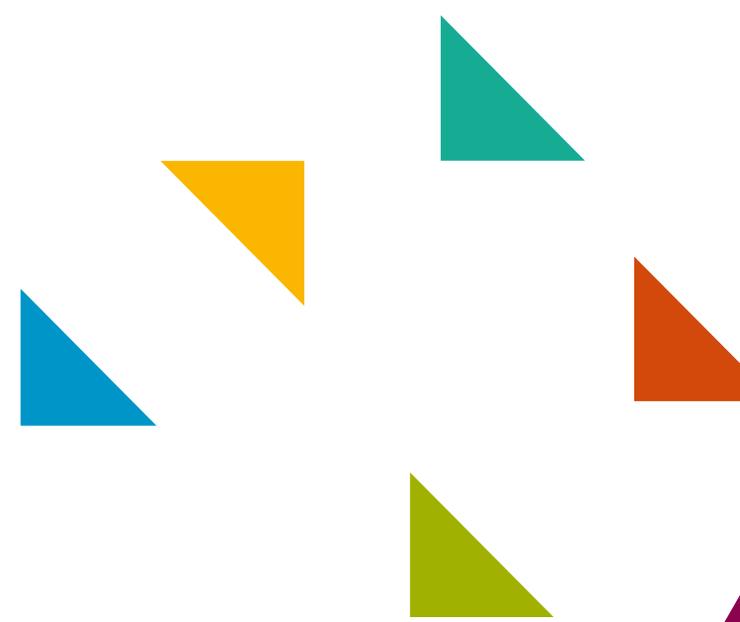
Prepare and complete the final report of the three-year interim evaluation project. The final report will also make recommendations on the future evaluation framework in relation to the final evaluation of the North East Strategic Economic Plan (2014 – 2024).

The interim evaluation reports on actions that the North East LEP will need to take to prepare for final evaluation in 2025. A summary of the evaluation was published on 27 January 2022 [here](#).

Scope out the framework and specification for the final evaluation of the North East Strategic Economic Plan to be contracted up to 2024.

A draft framework of the final evaluation of the North East Strategic Economic Plan was produced as part of the interim evaluation activity. Due to the delays in finalising the interim activity, the development of the specification for the final evaluation will be completed in 2022.

North East
Local Enterprise Partnership



North East Local Enterprise Partnership

1 St James Gate, Newcastle upon Tyne, NE1 4AD | **Tel** 0191 561 5420 | **Email** info@nelep.co.uk | [@northeastlep](https://twitter.com/northeastlep)



northeastlep.co.uk



North East
GrowthHub

northeastgrowthhub.co.uk



Evidence Hub

northeastevidencehub.co.uk



North East
Ambition

northeastambition.co.uk

Annual Review

April 2021 – March 2022

Creating 100,000 more and better jobs for the North East economy between 2014 and 2024.

2021
2022

North East
Local Enterprise Partnership



Introduction from Helen Golightly

Contents

2	Introduction from Helen Golightly
4	Our targets
6	Business and sector growth
12	Innovation
14	Skills, employment, inclusion and progression
16	Investment and infrastructure
18	Transport connectivity
20	Strategy, policy, evidence and analysis



Helen Golightly OBE, Chief Executive Officer



North East LEP Senior Management Team. Left to right: Michelle Rainbow, Alan Welby, Richard Baker, Helen Golightly, Colin Bell, Jen Robson.

When I think back to the start of the pandemic in 2020, I will always remember that despite the fears and uncertainties we all faced, the rigour, commitment and sheer determination of our team, partners and communities to do the right thing and continue to champion our region did not falter.

As I stand in 2022 and we emerge from the pandemic, I am so proud of the fact that, throughout all the challenges, we have remained focused, been driven by evidence and continued to make a positive contribution to the North East economy, mitigating the impact of COVID-19 wherever we could.

This year, I was awarded an OBE for services to business and the regional economy – I am immensely proud and humbled to have been recognised in this way. I dedicated this honour to the whole North East LEP team because I feel so incredibly lucky to have a team behind me who have commitment, passion and drive like no other – who strive to increase investment and improve skills, job opportunities and purposeful business support across the North East to improve the lives of others, because they want to do the right thing for a region that is so special to us all.

I'd like to thank every leader and volunteer who supports us – partners, members of our board and sub-boards for giving us their time and experience. Thank you particularly to our Chair, Lucy Winskell OBE, who leads in a way that is respectful, inclusive, focused and insightful. Lucy is respected across the region and by government and has a truly inclusive approach to regional leadership.

At the North East LEP, we have always been clear – we have a plan to create more and better jobs for our region. Our Plan is built on evidence and partnership and it has made an impact.

The Plan has continued to define our direction of travel as we strive to create a stronger, greener

and more inclusive economy for the region. We have continued to navigate through the impact of the UK's departure from the European Union and remained delivery focused despite a policy vacuum caused by delays to the Levelling Up White Paper and national LEP review

We've continued to develop our understanding of the labour market so that we understand if our activity is working or if we need to pivot or accelerate activities to meet changing circumstances and influence partners and government.

With this in mind, a significant piece of work for us this year has been the interim independent evaluation for the North East Strategic Economic Plan. The evaluation gave us lots of recommendations to take forward, but also highlighted two particularly positive points:

- Leadership, influence, synergy and engagement are areas where the North East LEP has excelled through the delivery of the Strategic Economic Plan.
- Assessment of the Local Growth Funding and Enterprise Zone programmes to date have indicated good to very good value for money in line with national benchmarks for these programmes.

Our programmes of delivery have also had some highlights during the last twelve months.

Our Business Growth team were on the frontline during the pandemic, supporting and listening to businesses as they, in many cases, strived to survive. We have supported over xx business in the past twelve months with a customer satisfaction rate of 98%. We offer a quality service to businesses yet, as a team, we are faced with uncertainty about our future funding. I therefore urge government to confirm funding for Growth Hubs for 2022/23 and beyond, so that this valuable service is maintained for the region.

Our skills team has continued to make an impact

locally and nationally. We provided evidence to the House of Lords Select Committee on Youth Unemployment and focused particularly on our primary school careers pilot. It was also a privilege to host the launch of National Careers Week 2022 here in the North East – not only was this our first in-person event post Covid – it was the first time that the event had taken place outside London. It was attended by 300 people, was trending nationally on social media and gave a profile to the young people of the North East to tell their story of how they had been impacted by good careers guidance.

Our innovation team are committed to embedding innovation challenges as a way of proactively looking for solutions to problems faced by our region. They are also leading the Innovation Delivery Partnerships pilot, testing that if we bring the right people, organisations and innovation assets together to develop and deliver a focused plan on a particular market opportunity, we can accelerate regional growth in new global markets. The team have securing £1.03m to deliver two innovation programmes against these priorities during 2022/23.

We have also demonstrated our strategic convening ability and influence to bring partners including government together to develop the regional trade strategy, illustrating our capacity to work on important issues for the region, and now the rest of the north are looking to our example.

Our investment team continue to deliver significant capital projects across the region, but my highlight has to be the development of a new Commercial Property Investment Fund set for launch in early summer 2022.

I end this year feeling hopeful, confident and determined.

Helen Golightly OBE
North East LEP, Chief Executive Officer

Our targets

The Strategic Economic Plan has six targets which, if reached, will grow and level up our economy compared to national performance. These measure the progress we want to make between 2014 and 2024 in relation to our productivity, the number, quality and type of employment opportunities available and the proportion of our workforce in employment and economically active.

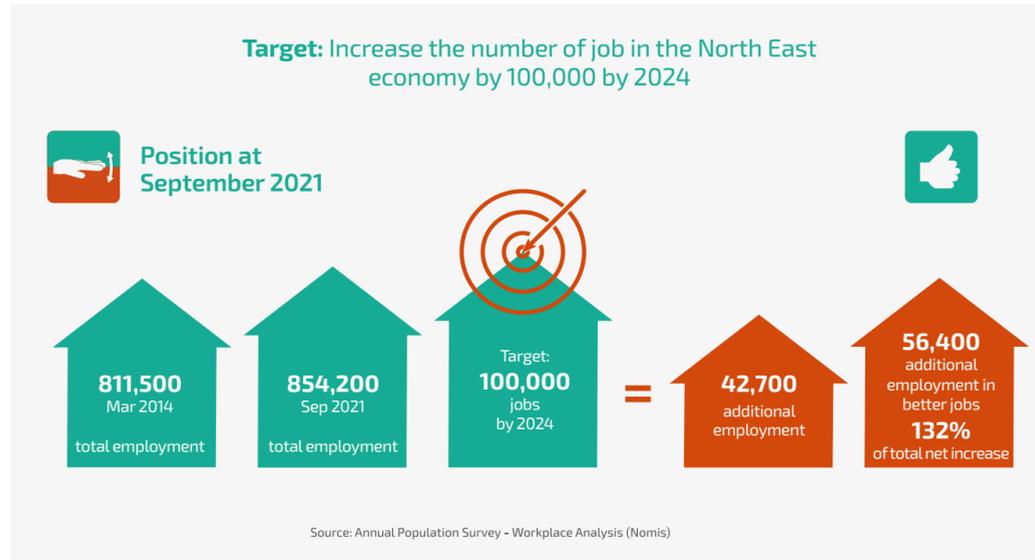
Data for five of the six targets show some of the impact of the economic shocks caused by COVID-19 and the UK's departure from the European Union. For GVA per hour target, local statistics are only available up to 2019.

The data for our more and better jobs and employment and economic activity rate gaps targets covers a 12-month period, updated each quarter. The latest available data covers October 2020 to September 2021, when the furlough scheme was still in operation. The official definition of people in employment includes most furloughed workers, so any local effects of the ending of this scheme are not yet shown. We've looked at other, more recent, data sources, that suggest we did not see a significant impact when the furlough scheme came to an end and therefore supporting the trajectory reported here.

As well as these six targets, that are also closely aligned to targets set out in government's Levelling Up White Paper, we also monitor a wide range of national, administrative, and new data sources to give us a broader understanding of the economic position of the region. Many of which can be found on the [North East Evidence Hub](#).

More and better jobs

The two headline targets are to increase employment in all types of jobs by 100,000 between 2014 and 2024 and for 70% of the increased employment to be in 'better jobs'.



This measure has been selected to show the changing nature of our labour market towards higher skill and leadership roles.

By September 2021, total employment had increased by 42,700. This had been driven by an increase of 56,400 in employment in 'better jobs', equivalent to 132% of the total net increase.

The upwards trend in North East employment growth between 2014 and early 2020 has reversed since the start of the pandemic. Total employment in September 2021 was 26,200 lower than in March 2020, with employment in 'better jobs' falling by 14,000.

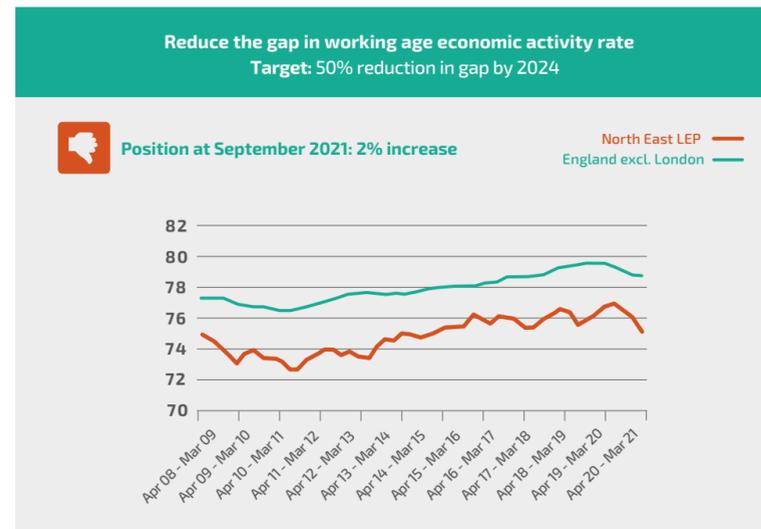
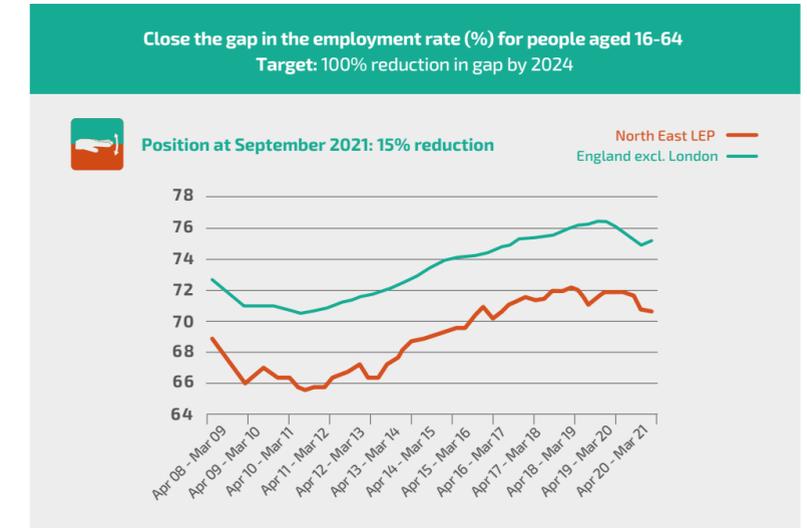
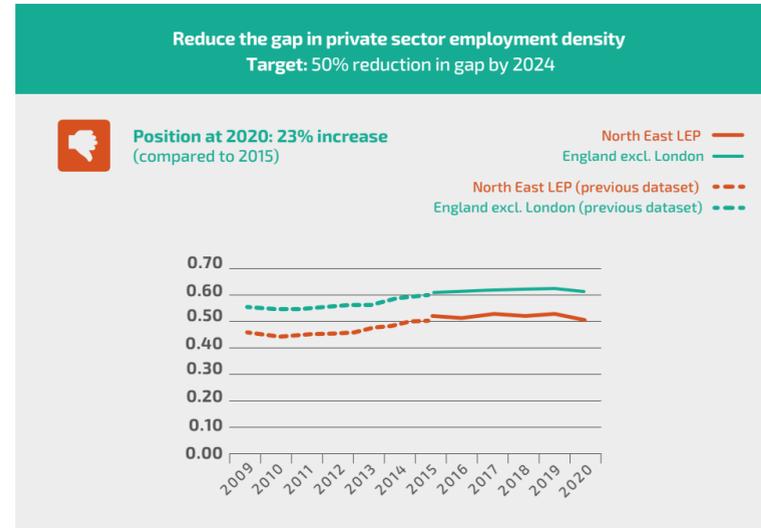
Closing the gap with England excluding London

Our four other targets are for gaps in private sector employment density per head, economic activity rate and productivity (GVA per hour worked) to be reduced by 50% by 2024 and for the gap in the employment rate to be completely closed. The rates and density all refer to the

working age population (aged 16 to 64).

The latest data shows that the North East LEP area employment rate, economic activity rate and productivity rate (GVA per hour) have all improved since 2014. However, only the employment rate gap has reduced (by 15%). The latest gaps in economic activity rate and GVA per hour were a little larger than in 2014, as England excluding London growth had been slightly faster. The latest North East private sector employment density was lower than in 2015 (the earliest comparable date) while the density in England excluding London had increased.

The North East employment density and economic activity rate had particularly decreased since the start of COVID-19. A recent trend has been for a sharp increase in the number of working age people leaving the labour market (becoming inactive). During 2022/23, we will monitor whether this is a long-term trend and analyse the reasons why people are becoming inactive.



Business and Sector Growth



2021/22 has been a year of two halves. Businesses have continued to deal with the effects of the COVID-19 pandemic, tackling staff shortages, supply chain disruption, rising costs and adapting to new consumer behaviours and working practices. In parallel, they have placed increasing emphasis on developing and putting into action innovative plans to drive forward their recovery and growth.

Colin Bell, Business and Sector Growth Director

98% of Growth Hub users reported that they were either satisfied or very satisfied with the support provided



XX jobs
and XXX additional GVA injected into the economy.

Provided advice, guidance and support to
XXXXX businesses

As businesses eyed recovery it was essential to further develop the capacity of the North East Growth Hub so we secured the funding to double the size of the team who delivered:

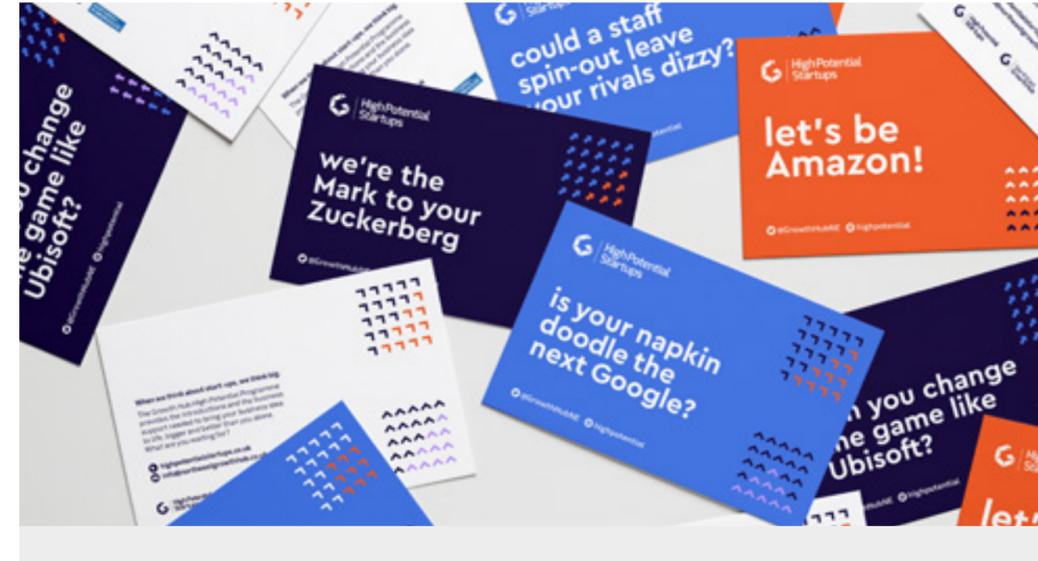
Information and guidance to XXXXXX people and businesses.

One to one advice and brokerage to XXX businesses.

Intensive support to XXX businesses generating XXX jobs (XXX of which are better jobs) and £XXX additional GVA.



North East Growth Hub Connectors



Other projects directly delivered through the Growth Hub included:

- High Potential Start-ups which concluded in December 2021 supporting XXXX high potential entrepreneurs to accelerate the formation of their business.
- Peer Networks which was a notable success supporting 241 businesses across 21 cohorts. Business leaders came together to support and learn from one another. Several thematic cohorts were formed focusing on areas such as the creation of Net Zero plans and digitisation.

MADE SMARTER

- Made Smarter worked with XXX businesses to adopt industrial digitisation technologies through the development of leadership capability, digital roadmaps and funding.



County Durham's Aura Infection Control have recently undergone a Management Buyout - Working alongside dedicated Scaleup Partner Jon Symonds, Aura were able to identify that one of the key barriers to long term growth was the desired retirement of a shareholder.

Recalling the guidance from the Scaleup team, Laura said: "With the support of our Scale up partner we were able to engage with the right services and partners to be able to create an opportunity for the business to move forward."

There has been a lot of change for LEPs and Growth Hubs. As we transition from the European Union and Funding towards a new landscape set out in the Levelling Up White Paper, we started to modernise the North East's business support landscape and approach to business segmentation and diagnosis.

We've continued to work closely with the North East Provider Network, drawing on the network's collective expertise to present a joint letter to Rt Michael Gove Secretary of State for Levelling Up Housing and Communities on how the Shared Prosperity Fund can be effectively deployed within the North East.

Inclusive growth is an important element of a modernised landscape. We have worked closely with Asian Business Connections and Diana Crouch, an adviser to the All Party Parliamentary Group for Ethnic Minority Business Owners, to review the North East's business support ecosystem and to design a framework to take forward during 2022/23.

During the year the Scaleup Institute launched its 2021 report which shone a light on the dynamism of our business base, highlighting that while in many regions the number of scaleups had either stalled or declined, the North East was one of only three LEP areas to see its scaleup population grow. It is fantastic the Scaleup North East team has secured further investment from European funding to build on this momentum.

There has been a continued necessity to support business recovery. Throughout the year we have worked closely with regional partners to submit weekly intelligence reports to government on the issues and challenges faced by businesses and how best they can support and respond to the issues raised.

The North East was one of only three LEP areas to see its scaleup population grow

Business and sector growth

Health and Life Science

More jobs have been created in the Health and Life Science sector over the past two years than in the previous 10 years, generating significant momentum towards the achievement of our ambition to double the number of people employed in the sector by 2030.

During 2021/22 a pipeline of ambitious projects has accelerated the growth of the sector, including the development of the North East Life Science Manufacturing and Innovation Zone and the advancement of plans for a Generics Manufacturing Facility by North East Pharma. There continues to be significant private sector investment in the sector alongside the ongoing development of the region's Integrated Covid Hub.

Progress is being made towards modernising pharmaceutical manufacturing with 12 businesses helped to adopt industrial digitisation technologies through the government funded Made Smarter Adoption programme.

The North East Growth Hub has developed Life Science Sector specialism supporting the growth and productivity improvement of XXX sector businesses and entrepreneurship. Northern Accelerator has supported XX university spinouts and AHSN has supported XXX businesses to bring forward innovations and break into the NHS.



The Biosphere building situated on Newcastle Helix – the North East LEP is providing funding for Newcastle City Council to develop a business case for the creation of a Biosphere 2.



The LEP published the North East Health, Life Sciences and Medicines Manufacturing Strategy, designed to double the number of North East jobs in the health, life sciences and pharmaceuticals industry to 24,000 by 2030.

Advanced Manufacturing

More than £4bn has been invested by Envision and Britishvolt into the manufacture of next generation batteries. When coupled with the formation of the UK Battery Alliance, EV North and Nissan's growing investment and commitment to the region, the North East has fast become the heart of the UK's battery and electric vehicle manufacturing industry.

In 2021/22, we secured funding to develop and deliver the Made Smarter Adoption scheme which has supported 64 manufacturers to adopt industrial digitisation technologies. The success of Made Smarter has led to securing a scaled up three-year project for the region from BEIS.



Made Smarter Adoption programme

The LEP supported six cluster development projects during 2021/22 designed to support advanced manufacturers to recover from the COVID-19 pandemic including:

- Advanced Manufacturing Forum – Making Owt
- Collingwood Solutions – Semiconductor Cluster
- Food and Drink North East – COVID-19 business support
- NEPIC – Pharmaceutical Innovation Accelerator
- North East Automotive Alliance – EV North
- Reatech Ltd – Resilient Communications Cluster.

Tech

In the year we refocused our Digital Strategy to have a sharper focus on supporting the growth of the North East Tech Sector. Overseen by a new private sector-led Tech Sector Strategy Board, the emerging strategy identifies how the sector can boost regional productivity and fulfil the vision of:

In 2030 the North East is a global hotbed for tech product innovation, there is a vibrant start-up scene, the region is a magnet for VC investment and talent, businesses have grown to global significance, we are an engine for digital talent creation, a global tech hub and businesses are choosing to relocate to the North East.

During the year several Peer Networks were launched, with a focus on the Tech Sector to bring businesses together to learn from each other. The digital/tech group had remarkably high levels of engagement and shared a great deal of challenges; at least three of those businesses are now collaborating beyond the group activity. This is something we are looking to continue to explore in the coming year. In addition, we supported Dynamo to progress plans for an Office for Rapid Cyber Security Advancement.

2021/22 saw the continued strengthening of the North East tech sector with a flurry of inward investments including Just Eat, Thoughtworks, Arctic Wolf, the global E-Sports bodies relocation to Sunderland and key developments such as Immex City in Gateshead to support the Immersive Tech sector.



British Esports – The British Esports Association (BEA) – the national body for esports – will open a performance and education campus at Riverside Sunderland.



Just Eat – The global online food delivery marketplace will create more than 1,500 new jobs over the next 12 months, and invest more than £100m into the region across the next five years.

Business and sector growth: Energy

content will follow

Innovation



As the economy adapts to new ways of working post-COVID, innovation remains an important cog in driving regional competitiveness and growth. Our Innovation Delivery Partnerships are collaborating to unlock opportunities in future markets, have established challenge programmes aimed at SMEs to work together to solve key problems and realise opportunities, and have updated the regional prioritised pipeline to accelerate major innovation projects into delivery.

Alan Welby, Innovation Director

We've secured **£1.03m** to deliver two strategic innovation programmes for the region

Maximising opportunity in the markets of the future

We know that to gain competitive advantage and make the North East a more innovative and productive economy – we need to be on the front foot. We need to not only understand what markets are emerging across the globe, but also what is driving these markets and how the North East can prepare for and secure jobs and growth in these markets as they emerge.

We have focused on two key projects that will allow us to be ahead of the competition and seize the opportunities to create more and better jobs for our economy.

Innovation Delivery Partnerships (IDPs) are a group of pilot partnerships that are testing if we bring the right people, organisations and innovation assets together to develop and deliver a focused plan on a particular market opportunity, we can accelerate regional growth in new global markets in which the North East has a genuine (actual or potential) competitive advantage.



Our IDPs focusing on critical markets. Two of our seven active partnerships are looking at opportunities in space and robotisation.

Seven IDPs have developed partnership structures:

1. North East Space Hub
2. Battery Materials
3. North East Drives
4. Immex City
5. Cybersecurity
6. IC3
7. Robotisation Alliance

Immex City and the Space IDPs have secured additional UK Community Renewal Funding to deliver partnership projects. The Drives and Batteries IDPs have secured government funding

for project development and capital investments. The Cybersecurity IDP has progressed a business case for major investment.

We secured £321,000 funding from the UK Community Renewal Fund to develop our Innovation Delivery Partnership activity and to deliver more intensively in Gateshead and Sunderland.

We have also completed a research project that has identified 17 emergent markets that the North East has strengths and capabilities in and a strong opportunity to capitalise on. Understanding these markets will inform strategy development and delivery planning.

Innovation Challenge

We have championed challenge-led open innovation through a range of projects to begin to embed open innovation as a way of addressing economic and social challenges across the region.

Our COVID-19 challenge was targeted at solving problems caused by the pandemic, specifically looking at in-person events and home-based services. The programme received 63 expressions of interest across the two challenges. Sixteen SMEs were successful with their applications, receiving a total of £79,130 grant funding in phase one and being matched with challenge supporters to develop their concepts.

More recently, we have secured £712k secured through the North of Tyne Combined Authority Investment Fund for an open innovation challenge project to bring solutions to pressing problems in decarbonisation, healthy aging or 5G / digital transformation, which will allow us to further embed this approach.

"The challenge process enabled me to develop stronger links with Northern Gas Networks and develop an informal partnership arrangement which has culminated in plans for a national project. Affotek would not have had access to this market if it hadn't been for Challenge North East".

Dr. Chennakesavalu Rajagopal of Affotek

£200,000

received by 16 businesses in the COVID-19 Open Innovation Challenge

£712k
secured through the NTCA's Investment Fund for an open innovation challenge project to bring solutions to pressing problems in decarbonisation, healthy aging or 5G / digital transformation.

Innovation project pipeline

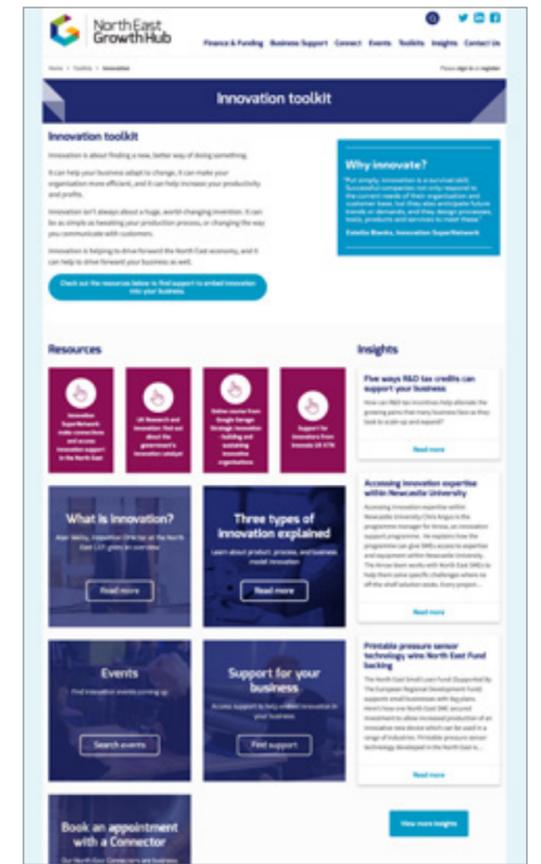
Ensuring our pipeline of innovation projects is live and always developing is critically important to us. This year, we have seen projects moving from our pipeline into delivery, and others undergoing significant changes to their proposals due to external circumstances, we launched a new project call during the Summer for both innovative capital and revenue proposals. Of the 51 expressions received, the North East LEP Board approved priority status for nine projects which will be assisted into delivery in 2022/23 and we agreed to monitor and support less intensively a further 11.



National innovation centre for rural enterprise

Innovation Business Support

We launched the Innovation Toolkit on the North East Growth Hub as a mechanism to reach innovation active businesses and potential innovators and to raise awareness of opportunities for our businesses to capitalise on local research and innovation capability. The Innovation Toolkit was the most visited toolkit in the two months to February 2022 with 190% more traffic than the second most visited toolkit (Net Zero).



North East Growth Hub Innovation Toolkit

Skills, employment, inclusion and progression



Despite 2021 being a challenging year for our team and our partners in both education and business there were significant achievements throughout the year. We have adapted to new ways of working with our partners, encouraged innovation in delivery of programmes and provided evidenced challenge and positive feedback to regional plans and national skills policy on behalf of the North East.

Michelle Rainbow, Skills Director

Making a national impact

The North East LEP has been recognised as achieving national impact. We hosted National Careers Week for the first time in the North of England and it was attended by over 300 careers leaders nationally.

We provided oral and written representation to the House of Lords Youth and Employment Select Committee resulting in the North East being highlighted several times as exemplars. We have been represented on a DfE regional group piloting an innovative and unique provision for young people to improve progression. Our innovation and influence at a national level is reflected in our programmes of delivery.



National Careers Week launch

"I have found the Kickstart process very beneficial and with the help of our Skills Facilitator, Rochelle at North East Ambition, the whole process was made very easy to navigate. Without the Kickstart scheme I would not be able to take on new people and I would struggle to be able to grow my business as quickly as I would like."

Martin Young,
Director of Cassidy Forsythe



North East Ambition 2 supported Cassidy Forsythe, a small multi-disciplinary practice specialising in providing 3D modelling services to recruit four new members of staff through the Kickstart scheme, which provides funding to create six month job placements for young people.

North East Ambition

Our North East Ambition programme was extended to support 170 SMEs. We have had success helping businesses to take on apprenticeships and Kickstart applicants, our part in supporting businesses to fulfill their skills needs and also support the national policy agenda.

The programme continues to underpin education across the region. Over the two years, our Primary Pilot demonstrated the positive impact that careers-related learning can have in primary settings by improving children's understanding of the range of future possibilities open to them, and enhancing teachers' careers-related knowledge, understanding and skills. Pupils within the pilot schools are receiving more careers education than ever.

170 SMEs

supported through North East Ambition 2

89%

of Career Leaders involved in the Pilot now say that their careers-related learning covers all year groups in the school



Campaign artwork that was the creative approach to encourage businesses to join the Enterprise Adviser Network. We generated over 100 expressions of interest, that converted to xx new members of the network.

Opportunity North East careers pilot

This programme targets 480 pupils across 16 schools providing enhanced careers advice and bespoke interventions to support their post 16 choices. Those involved in the project have shown an 89% increase in the assessment of their understanding and knowledge related to careers. The impact was validated by an Oxford University study, which showed that pupils on the programme had significantly higher levels of career planning and engagement than those not on the programme. This was higher than any other factor such as gender, parental graduate status or ethnicity, which have traditionally been shown to be the most significant influences on the career aspirations of children.

"The benefits of this kind of approach, such as the development of transferrable skills like reflection, the ability to research and present information, and have confidence in what you are talking about, are vital. It's not always about what you have been taught, sometimes it's what you find out for yourself."

Andrea McLoughlin,
Public Health at Sunderland City Council.

Developing our evidence base

The Skills Advisory Panel has commissioned reports on key strategic issues for the North East including Digital Exclusion, Domestic Energy and Skills Impact on the Green Economy and the nature of 'Good Work' post COVID-19. Our programmes are producing robust evidence to inform future delivery in the region and influence national policy.

Supporting

The covid response and recovery. We have adapted and rolled out hybrid models to support careers education from primary through to FE and our business network throughout a disruptive year for all. We developed hybrid models for providing work experience. We supported the securing of skills bootcamps aimed at benefiting adults by providing access to in-demand skills training and a guaranteed interview.

Skills White Paper

We have been continuing to improve and grow apprenticeships through the LEP's Apprenticeship Provider group. We have supported the role out of T Levels through the establishment of new T Level routes. We reported opportunities and challenges to government, influencing policy direction, including increasing the incentive available to employers.

We continue to facilitate a strong relationship between industry and education providers. We have delivered Industry Insight Sessions to deepen educators understanding of industry. We developed a new place-based approach to the Enterprise Adviser network to raise awareness of post-16 technical education and we continue to work with partners, to improve access to labour market information.

The skills programme demonstrates exceptional strategic added value, influencing national strategy on careers provision, based on the initial Gatsby pilot. This project is also directly addressing its specified outcomes, specifically around raising young people's aspirations due to good careers guidance and exposure to industry.

Comment from the interim evaluation of the North East Strategic Economic Plan

Independent evaluation of our impact

The independent interim evaluation of the North East Strategic Economic Plan praised our strategic vision, relationship development and partnership working. It also noted that we stand out compared to other LEPs for our focus on education and skills, which deliver outcomes over the long rather than the short term.

Investment and infrastructure



Over the last year we have continued to focus our attention on supporting regionally important infrastructure investments to help realise strategic sector development opportunities and to promote a green economic recovery from the COVID-19 pandemic.

Despite the inflationary and supply chain challenges faced by the construction industry, there has been steady progress on our investment programmes and importantly, several major business investments have been confirmed. This new investment is helping to build new and strong regional economic foundations, supporting our core goal to create more and better jobs.

Helen Golightly, Chief Executive

£23.6m of funding support for 14 capital projects approved during the year.



HM Government

Local Growth Fund

Total Growth Deal investment to date has been £260m, of which £10.5m is forecast to be spent in 2021/22.

Over 1,500 new jobs are forecast by March 2022 of which over 800 are based at the Just Eat UK co.uk new hub at Rainton Bridge in Sunderland, supported by the North East Inward Investment Fund. The IAMP advanced manufacturing employment site in Sunderland has also secured a £450m investment from Envision AESC Ltd to create a new car battery production 'gigafactory'. In Northumberland, JDR Cables Ltd has confirmed it is to invest £130m on the Northumberland Energy Park on the River Blyth Estuary to manufacture cables to supply offshore windfarms.

2,900 jobs

created by capital projects supported by the North East LEP



Enterprise Zones

The Enterprise Zone programme continues to support enabling infrastructure to improve the competitiveness and appeal of key regional employment sites, facilitating both local and inward private sector investment and new jobs.

£157m capital investment has been approved in principle to get Enterprise Zone sites ready for development, with £69.9m spent by March 2022.

During the last 12 months our 21 Enterprise Zones became home to three more businesses, creating more than 1,430 jobs. This brings the total number of businesses located on the Enterprise Zone sites to 62, collectively employing more than 3,200 people.

Getting Building Fund

The North East LEP was allocated £47 million over 2020-22 for investment in regional infrastructure projects to help stimulate jobs and support economic recovery with a particular focus on town and city centre rejuvenation and supporting investment in green economic infrastructure.

Expenditure this year is forecast at £29m, with 125 jobs expected to be created.

The first of 20 capital projects to complete is the Newcastle Foundation £7m NU Futures Building, providing an innovative three-storey community hub offering learning, health and recreational facilities. In Northumberland, phase one of the Bedlington town centre redevelopment has also completed with 19,000sqft of new retail floorspace. However, challenges in the construction industry over the past year has commonly resulted in project delays, consequently we expect the full programme to complete later than planned, by Spring 2023.

North East Investment Fund

The North East Investment Fund has been allocated in full and repayments are coming in to be reinvested.

During 21/22 we invested in one project and jointly supported six new business premises projects coming through a pilot Commercial Property Investment Fund under the Getting Building Fund (GBF).

We have continued to develop a Commercial Property Investment Fund, building on this year's pilot programme, which we plan to launch in May drawing £35m of the NEIF over the next fifteen years.



Aykley Heads – This strategic employment site in County Durham will pave the way for up to 4,000 new jobs and bring a £400 million boost to the economy.



Amazon Warehouse, Follingsby Park

Investment and infrastructure highlights

Aykley heads, Durham:

Durham County Council received £6m from the GBF towards the construction of a Grade A 3,518sqm office development on Plot C at Aykley Heads in Durham, supporting the Council's strategic aims to grow employment in the professional and financial services sectors. The three storey building is on track for completion in summer 2022 and can accommodate over 260 jobs whilst providing a catalyst for the development of the wider site Masterplan and helping stimulate over £150m private sector investment.

JDR Cable Systems – Northumberland Energy Park Enterprise Zone site, Northumberland:

Work is nearing completion by Advance Northumberland on the remediation and construction of a new quay at the site of the former Blyth Power Station where JDR Cable Systems has confirmed an investment of £130m to develop a new manufacturing facility initially creating 170 new jobs following its planned opening in 2024. When complete, the facility will include a new catenary continuous vulcanisation (CCV) line, making it the only facility in the UK capable of full start-to-finish manufacturing of high voltage subsea cables for offshore wind farms to support the growing global renewable energy market.

Amazon development – Follingsby Enterprise Zone site, Gateshead:

Significant progress has been made on the Follingsby Enterprise Zone sites during 2021-22. Following the opening of the Amazon Last Mile Delivery Centre in quarter two, the Amazon Fulfilment Centre was opened in September 2021 and by November 2021 1,300 permanent employees were on site, with an additional 1,000 seasonal workers also employed. Across the site, 187,024 sqm of commercial floorspace has been successfully developed and occupied. Amazon has made a significant investment in the North East of England, spending £650m across three sites - one of which being on the Follingsby Park Enterprise Zone. Gateshead Council is continuing to work with the land owner Legal & General to explore all opportunities for development of the three remaining plots, building upon the momentum created during 2021-22.

InTEGReL, Community Energy Village, Thornley, Gateshead

This £2.5m research facility, led by Northern Gas Networks, is supporting the need to decarbonise the UK housing stock and addresses the challenges of retrofitting millions of homes that currently rely on natural gas. The project is constructing nine homes, that reflect 85% of the housing stock in UK to create a ready-made environment for businesses and universities in the region to develop and demonstrate technologies linked to the green economy, such as hydrogen ready appliances, hybrid heat pumps linked to utility infrastructure and smart technologies. The project will be completed in Autumn 2022.

Accelerating the development of regional strategic projects

In May 2021, a £4 million 'Project Accelerator Development Fund' was established by the North East LEP Board, with the purpose of helping to speed up the research and development of regionally important capital and revenue projects, allowing them to become 'shovel ready' and to secure investment funding.

The first two project funding calls have resulted in 21 projects being approved and £1.8m of grant being awarded.

One initiative that is benefiting is the recently established North East Battery Alliance. A £90,000 award was made to help develop the region's capacity and potential in this growing market where the North East has a leading edge.



InTEGReL Customer Energy Village –research facility consisting of retro houses constructed to enable real time testing of new technologies and products

Transport connectivity



We continue to shape our regional transport network to deliver on the ambitions outlined in the North East Transport Plan which was adopted in 2021. This year has seen us move forward on our plans to reopen the Leamside Line and raise awareness of our rail plans, install more EV charge points to drive sustainable EV take-up, improve our cycling and walking infrastructure and make improvements to our bus and Metro services for all.

**Philip Meikle, Transport Strategy Director,
Transport North East**

£XXm et aut illabore, que
non re millorem commis
et ipsam enim utecum
dolecer chitat unt, ut
pratibus aut

East Coast Main Line and Leamside Line

The North East continues to campaign for credible, timely and properly funded plans to upgrade the East Coast Main Line, including the full reopening of the Leamside Line. The government's Integrated Rail Plan dented the ambitions of the region to be directly plugged into any future high speed rail network. However, it does include some significant East Coast Main Line capacity upgrades along the stretch from Northallerton to Newcastle and we are keen to work with government to ensure a swift delivery of these essential interventions. The Intergrated Rail Plan excluded the Leamside Line, instead suggesting this should be developed as a local scheme. Cross party political support and cross business support is still strong for both of these priority projects. Locally funded early business case development is underway for both the uplift in capacity on the East Coast Main Line and the development of a Metro extension, as a first phase towards the reopening of the Leamside Line in full.



Cross-party MPs, local politicians and business leaders come together to make the case for the reopening of the Leamside Line

"As a region we must be better connected so we can position ourselves as a major economic hub in the UK. With the right investment, we can improve our transport infrastructure, compete globally, grow our economy, make a significant contribution to the levelling up agenda and create more and better jobs for the people in our region, both now and in the future. I urge government to commit and invest into the East Coast Mainline and support the North East to Level Up the national economy"

Helen Golightly, Chief Executive, North East LEP



Woman cycling around Saltwell Park Gateshead as part of the Go Smarter, Go Active Roadshow

Active Travel Fund

£2.2million of emergency active travel funding has now been delivered. Delivery of our Tranche 2 programme is well underway, which will see £9.049million of active travel schemes delivered across our region. A regional bid for £27million of active travel funding was submitted. The Department for Transport have selected eight schemes to go through design assurance with Active Travel England.

Go Smarter, Go Active, a promotional campaign aimed at increasing active travel in the region was delivered in 2021/22. The campaign consisted of three parts:

- A new cycling and walking map for the region
- Production of 16 guides for days out by active travel
- A seven-week long cycling roadshow aimed at encouraging people to cycle.

North East Rail and Metro Strategy

During the year a new Rail and Metro strategy was developed jointly between Transport North East and Nexus and is now at the public consultation stage. The strategy highlights the region's rail and Metro ambitions and what our local network could look like by 2035. The strategy highlights the important part rail plays in the day-to-day lives of local people and what changes could be made to improve the current services and expand the network further.



A car at the new EV charge Point next to the Angel of the North on the A167 Durham Road in Gateshead

Go Ultra Low North East

The Go Ultra Low North East programme, funded by the Office for Zero Emission Vehicles and European Regional Development Fund, ended in May 2021. As a result of this project, the UK's first Electric Vehicle (EV) filling station was installed at Sunderland, 11 EV rapid hubs were delivered, and over XXX SMEs received consultancy support to assist their transition to EVs. The project has the potential to deliver a reduction of at least 293 tonnes of GHG.

The EV taxi project which received £500,000 from the Office for Zero Emission Vehicles, has delivered eight of the 10 rapid chargers. Two sites are still to be delivered; one of which will be operational by March 2022. The remaining site is currently being utilised as a COVID-19 testing station. Engagement with the trade to encourage the uptake of EVs is underway.

Capability Fund

The region has secured £2.16million of funding through the Capability Fund to support the development of schemes to deliver behavioural change and modal shift.

Zero Emission Bus Regional Areas (ZEBRA)

A business case has been submitted to the Department for Transport to secure £13.9million of funding which will deliver 73 zero-emission buses.



Durham Bus Station redevelopment

Transforming Cities Fund

The Transforming Cities Fund tranche one programme is now complete, with £10million of investment delivered across the region. The tranche two programme is well underway, with two of our major schemes in delivery – Durham Bus Station and Sunderland Central Station.

By the end of March 2022, approximately £65million of investment in sustainable transport projects will have been approved by the Joint Transport Committee.

Metro Asset Renewal Programme

Following completion of the 11-year Metro Asset Renewal Programme in March 2021 investing a total of £378m, a further £18m is on target to be invested in 2021/22. This includes further investment in our most critical assets including overhead line equipment, rail renewal at Tyne Dock, switch and crossings replacement at Gosforth and network wide testing are renewal of signalling cables.

Strategy, policy, evidence and analysis



As we continue to respond to significant short-term economic volatility and changing public policy, we also maintain a focus on strategy for the long-term development of our economy with the ongoing development of our Strategic Economic Plan, the crucial framework for this work.

Innovation and development of data, insight and analysis across our priority areas and collaboration with business, research and public sector partners are key enablers to our work.

Richard Baker, Strategy, policy and analysis director

11 research projects completed

Development of the North East Strategic Economic Plan

The three year interim independent evaluation of the Strategic Economic Plan, completed in December, demonstrated the impact of the Plan and highlights our role as its champion working with partners. It makes recommendations for action as we prepare for a final evaluation in 2025.

An updated Executive Summary was produced, reflecting change in the economy and the new policy environment, including the Levelling Up White Paper and Plan for Growth. It incorporates regional priorities for economic recovery post COVID and the UK's departure from the European Union.

We have adopted digitalisation of the economy and the drive to net zero as organisation wide priorities and strengthened our focus on knowledge intensive services.

147 attendees
at the Our Economy online launch event



Our Economy 2021 report

Building our evidence base

Our Economy 2021 was published in October highlighting economic performance across over 200 metrics. We also published an impact report examining the experience, opportunities and challenges resulting from COVID-19 and the EU transition.

We commissioned research on the impact of COVID-19 on the Good Work Agenda, digital exclusion, investment flows and the SME

business base. COVID-19 triggered significant innovation in our use of data. We continue to incorporate new techniques into our programmes.

During 2021 we repositioned our Data Hub as the North East Evidence Hub, creating a wider platform for publishing a range of data, research and commentary. A priority for us is to continue to enhance this platform.



The impact of COVID-19 on the Good Work Agenda and flexible working

At a time when organisations are faced with an opportunity to change the way in which they work, this is a perfect opportunity to link into and develop the Good Work agenda.

Working in collaboration

The North East Economic Evidence Forum continues to focus on the region's evidence needs and review current research. Our close work with academic partners continues and we look forward to joining Insights North East, led by Newcastle University. Collaboration with Durham University continues on strategic projects including trade and energy. We are active participants in the UK Productivity Institute.

We commissioned research for NP11 LEAs, Transport for the North (TFN) and government assessing how northern partners develop data and evidence. It proposed stronger collaboration and we are now leading development of the Northern Evidence Network (NEN).

Strategy development

The NEN is supporting TFN to update the Northern Powerhouse Independent Economic Review.

In June 2021 we published our North East global

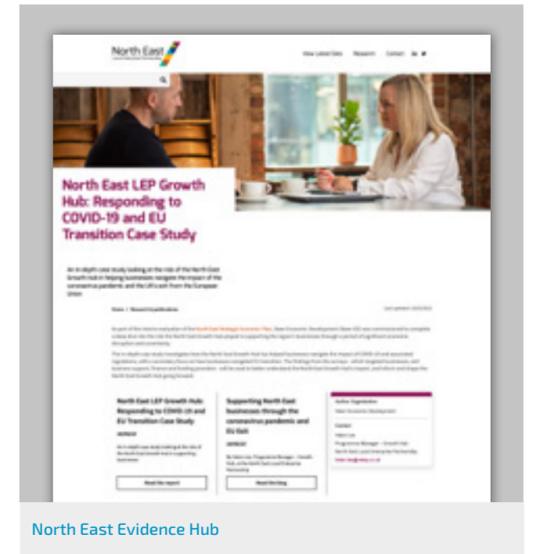
trade and export report, in partnership with the Department for International Trade (DIT) and Chamber of Commerce. This proposed a strategy to strengthen future export growth by building on current trade relationships and exploiting new trade deals. A second report completed in December identifies a delivery plan.

With partners, we are developing Net Zero North East, a regional collaboration to accelerate decarbonisation. A prospectus identifies current action, opportunities and challenges. We supported BEIS to publish a study on the economic impact of the Net Zero transition on our region.

As one of six partner LEAs, we are supporting the transition of the North East and Yorkshire Local Energy Hub to a Net Zero Hub following the Net Zero strategy.

Informing policy

The EU Exit Implementation Group continues to work on transition issues. We co-ordinated responses to government consultations on



North East Evidence Hub

UK trade with the Gulf Cooperation Council, on subsidy control, and migration priorities. A forthcoming report will assess the impact of EU Exit on the North East one year on, informing future priorities.

With partners we produced both a growth-focused regional statement of intent, and a response to government's review of Destination Management Organisations (DMOs). We are supporting landmark projects such as the Durham 2025 City of Culture bid and opening of the Convention Centre.

We have produced analysis of the White Paper published in February 2022, following on from similar briefings on key fiscal events and policy processes. Priorities identified include devolution and funding proposals, and implementation of the LEP Review.

In conjunction with the Bank of England, we have continued to convene the Economic Prospects Group as a platform to share economic intelligence and review key UK-level reports such as the BoE Inflation Report.

North East Local Enterprise Partnership

1 St James Gate, Newcastle upon Tyne, NE1 4AD | **Tel** 0191 561 5420 | **Email** info@nelep.co.uk |  @northeastlep



northeastlep.co.uk



northeastgrowthhub.co.uk



northeastevidencehub.co.uk



northeastambition.co.uk

17 March 2022

Item 6: Levelling Up White Paper

1.0 Background

- 1.1 The Government published its much anticipated Levelling Up White Paper (White Paper) on 2 February 2022.
- 1.2 The White Paper sets out the proposed approach to the Levelling Up policy theme which has been promoted as the central mission of the Government's programme. The Government defines Levelling Up policy as a mission to spread opportunity and economic growth across the UK, and to end geographic inequalities that contribute to low productivity.

2.0 Key Content

- 2.1 Prior to publication, much debate was focused on the aims and measurement of Levelling Up. The White Paper identifies four objectives for levelling up policy, supported by a framework of missions and metrics. These are to:
 - Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging.
 - Spread opportunities and improve public services, especially in those places where they are weakest.
 - Restore a sense of community, local pride and belonging, especially in those places where they have been lost.
 - Empower local leaders and communities, especially in those places lacking local agency.
- 2.2 A number of important policy priorities of interest to the North East LEP and our partners are in scope within the White paper and in line with the comments makes the point that Levelling Up is a cross-Government priority which requires contribution from a range of departments. These priorities include:
 - The outcome of the LEP Review
 - Next steps on devolution, including direct mentions for both an expanded MCA deal in the North East and a County Deal in Durham
 - Next steps on future sub-national funding, including the framework for the investment of the UK Shared Prosperity Fund
 - Place components of a number of other UK strategies, for example announcements about enhanced spending of R&D funding in the regions and of 3 pilot regional innovation accelerators, confirmation of Local Skills Improvement

Plans and Local Transport Plans, and a change in the relationship between Homes England and Mayoral Combined Authorities more influence

- Ongoing commitment to the Northern Powerhouse agenda

2.3 Looking at the framework of Missions and the supporting metrics, it is notable that there is a strong degree of alignment between the metrics set out in the White Paper to measure progress on Mission 1, which covers growth in the private sector and the framework of targets that the region has established in the Strategic Economic Plan. A number of the metrics across the 12 missions remain draft and it is expected that there will be engagement around these and other areas. The North East Economic Evidence Forum has established a Working Group to look at the metrics in detail and take appropriate action.

2.4 There are a number of proposals for new structures and roles which will be key in the development, monitoring and delivery of the proposals which include a new Levelling Up Council, the creation of a Spatial Data Unit and new regional Levelling Up Directors to co-ordinate implementation in the regions

2.5 There are a number of areas where it is proposed that the North East LEP should take action to support next steps on implementation in the region as follows:

- Develop analysis and regional scale proposals for action to support the development of Combined Authority and Local Authority economic plans and investment frameworks
- Engage with and inform the proposed North East and Durham County devolution agreements
- Prepare evidence which could inform an update of the Strategic Economic Plan or other strategic regional process to 2030 and beyond, in line with the White paper timeline
- Engage with UK level analysis work linked to the White Paper to seek to ensure that the missions and metrics align with North East priorities by:
 - 'Mapping and gapping' action on missions and indicators, including analysing explanation of causes on key metrics
 - Establishing the Evidence Forum working group to provide a point of co-ordination and engagement in this work
- Monitor and influence new institutions as they develop
 - Levelling Up Directors and departmental policy responses
 - Seek to secure new Spatial Data Unit into region
 - Develop relationships with members of the Levelling Up Council
 - Join local panels once established

3.0 Recommendations

3.1 Board members are recommended to:

- Note and discuss the content of the Levelling Up White Paper set out in the attached briefing paper, noting that more information will be presented at the meeting
- Discuss and support proposed actions as set out in 2.5 above



North East
Local Enterprise Partnership



Levelling Up White Paper Briefing

February 2022

Background

The Levelling Up White Paper (LUWP) was published on 2nd February 2022:

<https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>

This briefing note focuses on the economic policy and strategy announcements included in the report, with particular reference to the North East.

Headlines

- LEPs are recognised for their contribution to co-ordinating the public and private sector to drive economic growth: *“It is important to retain the key strengths of these local, business-oriented institutions in supporting private sector partnerships and economic clusters, while at the same time better integrating their services and business voice into the UK Government’s new devolution plans.”*
- LEPs will be encouraged to integrate with devolved institutions to support the levelling up agenda
- County Durham is one of nine areas that will be invited to start formal negotiations to agree a new County Deal, with the Government aiming to agree a number of these deals by autumn 2022
- The Government will also take forward negotiations to agree an expanded MCA deal for the North East
- The Northern Powerhouse is called out as an important partnership model for levelling up, and will continue to receive support from Government
- County Durham, South Tyneside and Sunderland will be designated as Education Investment Areas, and receive additional support to improve education outcomes
- The report includes a devolution framework for England for the first time, which provides an indication of the types of powers and functions that will be considered under devolution deals
- West Midlands and Greater Manchester will negotiate trailblazer deeper devolution deals with the government, which will act as the blueprint for other MCAs to follow
- More public investment in R&D will be spent outside the Greater South East. All government departments will be asked to collect data on their regional R&D expenditure and work with the ONS to publish it
- BEIS, UKRI and Innovate UK will deliver a pilot of three new Innovation Accelerators in Glasgow, the West Midlands, and Greater Manchester. BEIS will consider rolling out the model to others following this three-year pilot if it proves successful.
- Local Skills Improvement Plans (LSIPs) will be rolled out across England with supporting funding. Areas with the most pressing skills needs will be prioritised
- Areas with devolution deals which include transport powers will be supported to put in place Local Transport Plans, and will be offered multi-year integrated funding settlements
- Homes England will play a wider role in supporting Mayors and local authorities to realise their ambitions for new affordable housing and regeneration in their areas
- Homes England will lead a programme to regenerate 20 places in England through transformational projects in town and city centres. Sheffield and Wolverhampton will be the first areas to benefit from this programme

- New legislation will be introduced to support for tenants in the Private Rented Sector, include ending 'no-fault' Section 21 evictions and proposals for new minimum standards for rented homes
- Improving access to subnational data is a key objective of the government's plans to better identify areas in need of support and assess the impact of levelling up policy. A new independent body will be established to improve access to local government data
- The UK Shared Prosperity Fund (UKSPF) will be distributed to Mayoral Combined Authorities and local authorities using a formula based on need. Lead authorities will be required to produce investment plans for the UKSPF with measurable outcomes
- Levelling Up Directors will be appointed for each region, acting as a key point of contact and a bridge between local leaders and central government
- An independent Levelling Up Advisory Council will advise the government on the design and delivery of levelling up policy, and produce analysis commissioned by the Levelling Up Cabinet Committee
- A regional summary of Levelling Up investments and policy interventions has been published [here](#)

Positioning

The Government defines Levelling Up policy as a mission to spread opportunity and economic growth across the UK, and to end geographic inequalities that contribute to low productivity.

The LUWP identifies six factors ("capitals") that can provide a framework for evaluating geographical disparities, and determining where further investment is needed:

- Physical capital – infrastructure, machines and housing.
- Human capital – the skills, health and experience of the workforce.
- Intangible capital – innovation, ideas and patents.
- Financial capital – resources supporting the financing of companies.
- Social capital – the strength of communities, relationships and trust.
- Institutional capital – local leadership, capacity and capability

Natural capital is noted in the report as a complementary factor for economic growth, but is excluded from this framework as there are already policy strategies in place for protecting and enhancing natural capital.

The government's four objectives for levelling up policy are identified as:

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging.
- Spread opportunities and improve public services, especially in those places where they are weakest.
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost.
- Empower local leaders and communities, especially in those places lacking local agency.

The policies, missions, and metrics identified in the LUWP are cross-government, and include interventions on skills, education, health, crime, housing, transport and infrastructure.

Missions

To provide focus and clarity to Levelling Up policy, the LUWP identifies 12 “missions” with medium-term targets that will determine the success of the Government’s ambitions:

1. By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.
2. By 2030, domestic public investment in R&D outside the Greater South East will increase by at least 40% and at least one third over the Spending Review period, with that additional government funding seeking to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth.
3. By 2030, local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing.
4. By 2030, the UK will have nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population.
5. By 2030, the number of primary school children achieving the expected standard in reading, writing and maths will have significantly increased. In England, this will mean 90% of children will achieve the expected standard, and the percentage of children meeting the expected standard in the worst performing areas will have increased by over a third.
6. By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high-quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas.
7. By 2030, the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by 5 years.
8. By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing.
9. By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between the top performing and other areas closing.
10. By 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas; and the government’s ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest performing areas.
11. By 2030, homicide, serious violence, and neighbourhood crime will have fallen, focused on the worst-affected areas.
12. By 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement.

Data and metrics

Each of the 12 missions has a target date of 2030 to deliver improvements. The Government will work with the ONS and regional and national partners to improve access to subnational data, in order to better identify areas in need of support and assess the impact of levelling up policy.

A [technical annex](#) published alongside the LUWP provides detail on the preliminary metrics and datasets that will be used to measure the success of each mission. Each mission has an identified headline metric(s) and supporting metrics.

Most of the metrics are framed relative to the median local authority. However, some of the datasets identified are only available at a higher level of geography (e.g. regional level).

The published metrics are preliminary, and the government will undertake an informal consultation with interested stakeholders before they are finalised. This will involve academic experts, think tanks, civil society, frontline professionals, private industry and the ONS, as well as government departments. During this period of engagement, stakeholders will be encouraged to identify additional metrics that might improve measurement of missions or outcomes further. A selection of these metrics will be added to the preliminary list.

The government has identified several areas that are relevant to levelling up, but where further work is needed to investigate, analyse or develop appropriate metrics before they can be used for measuring and monitoring progress at the right levels of geography. These include measures of:

- quality of work;
- work and health, in particular health-related worklessness;
- pride in place and well-being;
- long-term outcomes for those completing training;163 and
- local leadership.

The LUWP also commits to establishing a new independent body in England focusing on local government data, transparency and outcomes. Strengthening data will be the cornerstone of this body, supporting councils to learn from one-another, be user-focused and self identify areas for improvement. The key objectives of the body will be to:

- empower citizens with information about their local area, enabling them to hold leaders to account, input into service design and participate in building pride in their place;
- strengthen local leaders' knowledge of their services, enabling them to share best practice, innovate and drive self improvement; and
- increase central government's understanding of the local government sector, measure efficiency and area variation, and enable sector support to be better tailored.

The new body will build on what is already available nationally, from both government and other external organisations. The UK Government intends to base the headquarters of the new body outside of London, and will co-design this proposal with local government to ensure that it reflects and supports local ambitions.

DLUHC will establish a new Spatial Data Unit to drive forward the data transformation required in central government. The Spatial Data Unit will support the delivery of levelling up by transforming the way the UK Government gathers, stores and manipulates subnational data so that it underpins transparent and open policy making, and delivery decisions. This will include improving the collation and reporting of UK Government spend and outcomes, including building strong capabilities on data visualisation and insights.

BEIS, working in partnership with Nesta, have developed a Research and Development spatial data tool, which provides access to indicators for public R&D, private R&D, knowledge exchange and commercialisation, and the ability for places to attract innovative firms and R&D workers: <https://www.gov.uk/guidance/access-research-and-development-spatial-data>

The Office for National Statistics has published an experimental tool to bring together data on the levelling up metrics at the local authority level: <https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/articles/subnationalindicatorsexplorer/2022-01-06>.

Governance and Accountability

The government will bring forward legislation to put in statute some of the key pillars of levelling up to ensure this new framework is built on strong foundations. This will include introducing a statutory duty for the government to publish an annual report on delivery against the levelling up missions.

To support the devolution agenda, the LUWP announces the creation of Levelling Up Directors, who will provide a key point of contact for local areas, acting as a bridge between local leaders and central government.

Levelling Up Directors will act as a single point of contact for local leaders and a first port of call for new and innovative local policy proposals. They will be based in the areas they have responsibility for.

Levelling Up Directors will have the following objectives:

- building local capacity and capability, especially where it is thin
- improving the evidence base for local decision-makers, working with the ONS, and evaluating what works using data, statistics and analysis
- catalysing local change and championing local ideas within government
- bringing strategic coherence, coordination and flexibility to government intervention in places
- forming a key bridge between local actors and central government
- acting as champions for their places

The Levelling Up Directors will support the development of private sector clusters across the UK. They will work closely with the Centre for Thriving Regions, a proposal recently put forward by the CBI.

To bring independent and diverse voices into the policymaking process, the government is creating a Levelling Up Advisory Council. The Council will be charged with providing

independent expert advice on matters relating to the design and delivery of levelling up policy. Its analysis will be commissioned and published, at the discretion of the Levelling Up Cabinet Committee.

Members appointed to the Levelling Up Advisory Council:

- Katherine Bennett (CEO, High Value Manufacturing Catapult and Chair, Western Gateway)
- Sir Tim Besley (Professor of Economics and Political Science, London School of Economics)
- Sir Paul Collier (Professor of Economics and Public Policy at the Blavatnik School of Government, University of Oxford)
- Cathy Gormley-Heenan (Former Deputy Vice-Chancellor (Research and Impact), Ulster University)
- Sally Mapstone (Principal, University of St Andrews)
- Laxman Narasimhan (CEO, Reckitt Benckiser)
- Sacha Romanovitch (CEO, Fair4all Finance)
- Hayaatun Sillem (CEO, Royal Academy of Engineering)
- David Skelton (Director, Renewal)
- Sir Nigel Wilson (Chief Executive, L&G)
- Baroness Wolf (Professor, King's College London)

There will be a specific role for expert advisory committees, run as sub-groups of the Levelling Up Advisory Council. These will serve as a confidential forum for engagement between experts on the major cross-cutting themes of this White Paper. Themes covered by these expert sub-committees are likely to include:

- regional adoption and diffusion infrastructure - improving the uptake of productivity-enhancing technologies and management practises by businesses
- the role of private sector capital in levelling up and strategies for encouraging more institutional investment
- local communities and social infrastructure - the role of neighbourhood policies and strategies for building community capacity in left behind areas

The government pledge to put in place a comprehensive process of engagement and informal consultation to inform levelling up delivery and future policy-making. This will include:

- a structured process of ministerial visits across the whole of the UK in the coming months, to discuss how levelling up can be successfully achieved in that area and to gather feedback
- an ongoing, long-term commitment for further ministerial visits across the whole of the UK, to update on progress on the policy programme and missions
- setting up local panels, drawn from a wide range of stakeholders, to serve as a sounding board on levelling up delivery and implementation, working closely with the new Levelling Up Directors once established
- annual reports summarising the key messages from these local panels, which will feed into the UK Government's Cabinet Committee on Levelling Up

- an online space where local ideas, proposals and initiatives around levelling up can be heard and co-ordinated, to spread knowledge and understanding of what has worked locally and to foster innovation and experimentation

Local Enterprise Partnerships (LEPs) Review

The LUWP follows a review of LEPs first announced at the Budget in March 2021.

The LUWP recognises the contribution of LEPs to co-ordinating businesses and local leaders to deliver funding streams and drive economic growth. The Systems Reform section of the report includes a recommendation for LEPs to integrate with devolved institutions:

“the UK Government is encouraging the integration of LEPs and their business boards into MCAs, the GLA and County Deals, where these exist.

Where a devolution deal does not yet exist, LEPs will continue to play their vital role in supporting local businesses and the local economy. Where devolution deals cover part of a LEP, this will be looked at on a case by case basis. Further detail on this transition will be provided in writing to LEPs as soon as possible.”

It is not stated in the LUWP whether the findings of the LEP review will be published as a separate report.

Devolution

Mission 12 sets out the Government’s ambition for every part of England that wants one to have a devolution deal with a long-term funding settlement by 2030.

The government will publish a new accountability framework that will apply to all devolved institutions in England. This will ensure that there are clear roles and metrics for assessment and measures to support local areas, alongside strong local scrutiny mechanisms. The new framework will focus on:

- setting out key roles and responsibilities for devolved institutions in England, central government and other stakeholders so they are clear to residents
- ensuring there are appropriate forums for local media, local councillors and local residents to review the performance of authorities with devolved functions – for example, Mayor’s Question Times, and regular appearances before local scrutiny and audit committees
- allowing the public to make a clear judgement on the performance of Mayors against key outcomes to allow comparisons between areas with devolution

The government will open negotiations immediately on trailblazer devolution deals with the West Midlands and Greater Manchester, which will act as the blueprint for other MCAs to follow. These discussions will explore options to streamline the funding landscape for MCAs.

The LUWP announces for the first time a new devolution framework for England, which sets out a menu of options for places that wish to unlock the benefits of devolution.

The table below provides an indication of the types of powers and functions that will be considered for each devolution level:

Table 2.3 Devolution Framework

Level 3 – A single institution or County Council with a directly elected mayor (DEM), across a FEA or whole county area

Level 2 – A single institution or County Council without a DEM, across a FEA or whole county area

Level 1 – Local authorities working together across a FEA or whole county area e.g. through a joint committee

Function	Detail	L1	L2	L3
Strategic role in delivering services	Host for Government functions best delivered at a strategic level involving more than one local authority e.g. Local Nature Recovery Strategies	✓	✓	✓
	Opportunity to pool services at a strategic level	✓	✓	✓
	Opportunity to adopt innovative local proposals to deliver action on climate change and the UK's Net Zero targets	✓	✓	✓
Supporting local businesses	LEP functions including hosting strategic business voice		✓	✓
Local control of sustainable transport	Control of appropriate local transport functions e.g. local transport plans*		✓	✓
	Defined key route network*			✓
	Priority for new rail partnerships with Great British Railways – influencing local rail offer, e.g. services and stations			✓
	Ability to introduce bus franchising		✓	✓
	Consolidation of existing core local transport funding for local road maintenance and smaller upgrades into a multi-year integrated settlement			✓
Investment spending	UKSPF planning and delivery at a strategic level		✓	✓
	Long-term investment fund, with an agreed annual allocation			✓
Giving adults the skills for the labour market	Devolution of Adult Education functions and the core Adult Education Budget		✓	✓
	Providing input into Local Skills Improvement Plans		✓	✓
	Role in designing and delivering future contracted employment programmes			✓
Local control of infrastructure decisions	Ability to establish Mayoral Development Corporations (with consent of host local planning authority)			✓
	Devolution of locally-led brownfield funding			✓
	Strategic partnerships with Homes England across the Affordable Housing Programme and brownfield funding			✓
	Homes England compulsory purchase powers (held concurrently)		✓	✓
Keeping the public safe and healthy	Mayoral control of Police and Crime Commissioner (PCC) functions where boundaries align ^			✓
	Clear defined role in local resilience*		✓	✓
	Where desired offer MCAs a duty for improving the public's health (concurrently with local authorities)			✓
Financing local initiatives for residents and business	Ability to introduce mayoral precepting on council tax*			✓
	Ability to introduce supplement on business rates (increases subject to ballot)			✓

* refers to functions which are only applicable to combined authorities

^ refers to functions which are currently only applicable to mayoral combined authorities

The LUWP provides an overview of government plans to increase the geographic spread of civil servants across the UK through the Places for Growth programme. This forms part of the commitment to move 22,000 Civil Service roles, and 50% of UK-based Senior Civil Service roles out of London by 2030.

The North East is identified in these plans as the location for:

- an increase in Civil Service presence for DEFRA in Newcastle
- HM Revenue and Customs's (HMRC) new Newcastle hub, Pilgrim's Quarter, where 9,000 civil servants will be located
- Tyneside is one of the locations targeted for growth in roles moving out of London for DCMS, DEFRA, DHSC, DWP, DLUHC, HMRC. Durham is identified for growth in Civil Servants in the Home Office

UK Shared Prosperity Fund

The UK Shared Prosperity Fund (UKSPF) is identified as one of three complementary funds that are available to local leaders, in addition to the Towns Fund and the Levelling Up Fund.

As announced at the Spending Review, £2.6 billion has been allocated to the UKSPF between 2022-23 and 2024-25, with annual funding increasing to £1.5 billion a year by 2024-25.

A [separate document](#) published by DLUHC provides further information about the structure and operation of the UKSPF:

- Local areas will receive a conditional allocation according to a funding formula. Lead authorities will be asked to develop an Investment Plan according to rules and guidance set by central Government. This will include measurable outcomes that they intend to deliver, and priorities for intervention. These will be submitted this summer for UK Government approval.
- In the North East, the North of Tyne Combined Authority will be responsible for the Fund in Newcastle, North Tyneside, and Northumberland. Durham, Gateshead, South Tyneside, and Sunderland local authorities will be lead authorities for their areas.
- The Government expects delivery responsibility for the Fund to align with new devolution deals once up and running: *"We will work with places to review local delivery arrangements for the Fund as they develop devolution arrangements such as County Deals or new or expanded Mayoral Combined Authorities."*
- The Fund will act as a predictable baseline element of local growth funding, with all geographies receiving something, skewed towards places in need such as former industrial areas, deprived towns and rural and coastal communities.
- The Fund will include a mix of revenue and capital funding.
- In Scotland and Wales, the government will support delivery across strategic regional areas, such as the City and Growth Deal geographies. In Northern Ireland, the UK Government will deliver the Fund at Northern Ireland scale, working with the Northern Ireland Executive and local partners
- A full prospectus on the Fund and how it will operate will be published in the Spring. The Government will run a series of webinars and engagement activities

with local authorities and other stakeholders across the UK starting week commencing 7 February 2022.

Places will be able to choose from investment in three Investment Priorities of communities and place, local business and people and skills. Example interventions for each of these priorities are listed below:

Communities and place

Example interventions may include: visual improvements to town centres and high streets, cultural/visitor economy interventions, litter, waste and graffiti reduction, projects to fight antisocial behaviour, and capital funding to improve neighbourhoods or community projects and initiatives.

Local businesses

Example interventions may include: support to increase town centre footfall, outdoor markets, the development of cultural, visitor and heritage assets, targeted business growth and innovation support.

People and skills

Example interventions may include: technical and vocational qualifications in areas where there are skills shortages locally; and intensive, wraparound one-to-one support to address barriers to employment. Additional services may include life skills, basic skills and specialist support including achieving basic qualifications in alternative settings, work experience, supported employment, enrichment activities, counselling and advice, and community referrals. These interventions should be additional and complementary to existing employment and skills provision in each area.

In England, the Fund will focus on communities and place and local business interventions to boost pride in place in 2022-23 and 2023-24, alongside support for people through the Multiply adult numeracy programme. The government will maintain the flexibility to fund voluntary sector organisations delivering locally important people and skills provision, where this is at risk due to the tail off of EU funds. Further investment to support people and skills will follow from 2024-25, when the funding pot reaches its full extent

Local leaders will be asked to work with a diverse range of local stakeholders to develop Investment Plans. Each lead local authority is encouraged to start identifying local partners and stakeholders who can provide advice and insight on local needs. This includes civil society organisations, businesses and employer bodies responsible for identifying local skills plans.

Working with other places will be welcomed in the delivery of Fund interventions where it meets the needs of their place, and achieves value for money or better outcomes for local people or businesses. In particular, the government will strongly encourage lead local authorities to work with other district, county or unitary authorities to agree and commission skills and employment activity.

Each lead authority in England, Scotland and Wales will be able to use a proportion of their allocation to undertake necessary Fund administration, such as project assessment, contracting and monitoring. More information will be made available in the Spring. Government will explore the need for additional capability support for local government and other partners to maximise the opportunities that the Fund affords.

Lead authorities should involve Members of Parliament in every stage of UKSPF planning and delivery, further details of the requirements will be set out in the full Prospectus later this Spring. The UK government and devolved administrations should have a standing invite to any partnership meetings to provide advice and information about their interrelated investments and policy priorities.

Overall implementation of the Fund will be led by the Department for Levelling Up, Housing and Communities, working in partnership with a range of UK government departments. It will be managed through a UK-wide ministerial forum, with the responsibility to oversee the delivery of the Fund. It will monitor investment and overall performance, and ensure coherence with wider UK government and devolved administration provision.

The Fund will underpin broader work to streamline the local growth funding landscape. The UK Government will engage with local government and key stakeholders on the simplification of the local growth funding landscape, and will publish further plans later this year.

To meet the UK Government's priority of enhancing adult numeracy, each area will be required to invest a ring-fenced amount of the Fund in local Multiply interventions. This will be managed by the Department for Education and will total up to £430m across the UK by March 2025. Further information on how this element of the Fund will be delivered will be set out in due course.

The Department for Education will also deliver a national digital numeracy platform, giving people the ability to learn at their own place (including at work, or at home), and pace. It will undertake randomised control trials and evaluation activity to test innovative approaches to reducing adult learning barriers, and build the evidence base on what works. Up to £129m has been allocated to the Department for Education up to March 2025 for these activities. This will complement local Multiply interventions.

Growing the Private Sector

Mission 1 is focused on growing the private sector to boost productivity, pay, jobs, and living standards, particularly in places where they are lagging.

Chapter 1 of the LUWP provides an analysis of the spatial disparities in the UK that contribute to substantial differences in living standards. The report identifies four key performance measures - local authorities in the bottom quartile for level 3+ equivalent skills in the adult population, Gross Value Added (GVA) per hour worked, Median Gross Weekly Pay and healthy life expectancy – as a signifier of “left behind” places.

The North East (including the North East LEP and Tees Valley) is identified as the lowest performing region when compared to the UK average for:

- median gross weekly pay
- population with Level 3+ qualifications
- healthy life expectancy (male and female)

The report acknowledges that commuting effects – measuring spatial disparities based on where people live, rather than where they work – and housing costs are important factors

to consider when measuring the economic performance of places. Life satisfaction and wellbeing measures are also highlighted to demonstrate that the costs of spatial inequality are evident in economic hubs, such as London, as well as struggling areas.

The headline metrics for this mission are:

- Gross Value Added (GVA) per hour worked
- Gross median weekly pay (£)
- Employment rate for 16–64-year olds

These metrics will be measured over ITL1 regions - the North East ITL1 region includes the North East and Tees Valley LEP areas. GVA per hour has been chosen as the metric for living standards over GDP per capita, as this can obscure factors such as commuting flows which distort the picture.

The supporting metrics for this mission are:

- Gross Disposable Household Income (GDHI)
- Proportion of jobs that are low paid
- Participation rate
- Disability employment rate gap
- Proportion of children in workless households
- Proportion of employed people in skilled employment (SOC 1-3, 5)
- Total value of UK exports
- Inward and outward Foreign Direct Investment (FDI)

Some supporting metrics, including the economic activity rate, will be measured at the local authority level to take into account disparities within city regions.

Measuring globally competitive cities requires capturing a range of underpinning metrics, including GVA per filled job, services trade balance, the share of Knowledge Intensive Service sectors, the percentage of 16–64 year olds with an NVQ4+ qualification, and city density, across city regions. Further work will be undertaken, in consultation with external stakeholders, to develop and refine these metrics.

The policy programme for this mission includes:

- Extending the geographical reach of the British Business Bank (BBB) partnership model. At the Spending Review, the Chancellor announced £1.6 billion of government investment in the next generation of BBB Regional Investment Funds. This includes £660 million for the Northern Powerhouse Investment Fund, which will be expanded into the North East of England
- At the Spending Review, the UK Government also announced an additional £150 million commitment for the Regional Angels Programme, supporting high potential businesses across the UK with early-stage equity finance
- The LUWP sets out the government's intention to work with Local Government Pension Funds to publish plans for increasing local investment, including setting an ambition of up to 5% of assets invested in projects which support local areas. This would unlock £16 billion in new investment.

- Eight Freeports in England will be established. Humber, Teesside and Thames are the first operational Freeports. The government will work with devolved authorities to establish new Freeports in Wales, Scotland and Northern Ireland
- The £1.4 billion Global Britain Investment Fund (GBIF) will provide grant support to internationally-mobile firms seeking to make or expand brown or greenfield investments
- The Office for Investment will partner with city region mayors and growth companies to foster local investment opportunities across the UK
- The Export Strategy and Free Trade Agreement programme is highlighted in the report. The North East is identified as an expected beneficiary of the Japan Comprehensive Economic Partnership Agreement
- Manufacturers to be supported by the Life Sciences Vision, the Defence and Security Industrial Strategy (DSIS), and the forthcoming Food Strategy. The Made Smarter programme will support industrial digitisation, and was expanded to the North East in 2021
- The government will invest £12 billion in the Ten Point Plan for a Green Industrial Revolution to create the conditions for the private sector to invest in new green industries and jobs
- The government commits to supporting private sector clusters to catalyse economic growth, job creation, and innovation. The North East Automotive Alliance (NEAA) and the North East of England Process Industries Cluster (NEPIC) are identified in the report as examples of successful private sector initiatives.

Education

Mission 5 is focused on eliminating illiteracy and innumeracy and addressing spatial disparities in educational attainment.

The headline metric used for this mission is:

- Percentage of pupils meeting the expected standard in reading, writing and maths by the end of primary school (key stage 2)

Achieving this mission would mean that schools in the third of local authorities with the lowest levels of attainment in England improve faster than the national average.

Supporting metrics for this mission are:

- Percentage of young people achieving GCSEs (and equivalent qualifications) in English and maths by age 19
- Percentage of schools rated good or outstanding by Ofsted
- Persistent absences for all pupils and disadvantaged and vulnerable cohorts of children
- Percentage of 5-year olds achieving 'expected level' on literacy, communication and maths early learning goals

The LUWP identifies 55 Education Investment Areas (EIAs) that will be designated in local authorities in England. These areas cover the third of local authorities in England where educational attainment is currently weakest, plus local authorities that contain either an

existing Opportunity Area or were previously identified as having the highest potential for rapid improvement. 95% of the EIAs are outside London and the South East.

The selection methodology for Education Investment Areas has been published here: <https://www.gov.uk/government/publications/education-investment-areas-selection-methodology>

Areas in the North East that will be designated as Education Investment Areas:

North East LEP: County Durham, South Tyneside, and Sunderland
Tees Valley: Middlesbrough, Hartlepool, and Darlington

These areas will be supported by the Department for Education by:

- Offering retention payments to schools to ensure they can retain the best teachers in high-priority subjects
- EIAs will be prioritised for new specialist sixth form free schools where there is limited provision
- Schools in these areas that have been judged less than Good in successive Ofsted inspections could be moved into strong multi-academy trusts, to attract more support and the best teachers. This will be subject to a consultation in the spring
- The Government pledge to make more intensive investment across some EIAs to tackle wider issues that may be limiting school improvement. This could include support from the network of school hubs, new pilot programmes to improve attendance and new mainstream free schools, where there is clear demographic need.

Additional education policy measures referenced in the LUWP include:

- The DfE will open 11 new specialist 16-19 maths schools, including one in Durham
- The government will continue to support the expansion of high-performing multi-academy trusts (MATs), and encourage all schools to join a MAT
- The forthcoming Schools White Paper will focus on improving literacy and numeracy for those furthest behind
- The Department for Education will publish next steps on reforms to the national funding formula for schools
- The government will create a new UK National Academy. This will be a free, online learning service developed jointly with schools and experts. It will allow students to acquire additional advanced knowledge, and different methods of teaching and delivery of subjects will be trialled and refined with student and teacher feedback
- The government will invest £560m of funding over the next three years to deliver a new National Youth Guarantee. This will ensure that, by 2025, every young person in England will have access to regular out of school activities, adventures away from home and opportunities to volunteer. This includes funding for a reformed National Citizen Service programme for the next three years.

Skills

Mission 6 is aimed at ensuring that skill levels rise in all areas of the country, and particularly in places where they are the weakest. The mission is targeted at those currently outside of the education system.

The headline metric used for this mission is:

- 19+ Further Education and Skills Achievements (qualifications) excluding community learning, Multiply and bootcamps

This mission focuses on the third of upper tier local authorities where skill levels, defined as the share of the population with level 3+ qualifications, are lowest. Training within the scope of this mission needs to be high-quality training that matches the needs of local employers and builds capabilities, to ensure it improves economic and social outcomes.

Achieving this mission would require reversing the recent downwards trend in skills achievements and increasing the number of number of adults successfully completing training. The mission is set relative to a pre-Covid 19 baseline (2018-19).

The supporting metrics for this mission are:

- Number of starts, and achievements, on apprenticeships per 1,000
- Proportion of the population aged 16 – 64 with level 3+ qualifications
- 19+ further education and skills participation

A combined measure of achievements in level 4 and 5 across the FE and HE sectors is under development, and as this work progresses, incorporating this data into the headline metric will be explored. The DfE will also monitor broader measures of private employers' investment in training to provide a holistic picture of skills achievements.

The LUWP commits to rolling out Local Skills Improvement Plans (LSIPs) across England with supporting funding. Areas with the most pressing skills needs will be prioritised. Employers, convened by employer representative bodies, will work with providers, MCAs where relevant, and other stakeholders to develop LSIPs, setting out the key changes needed in a place to make technical skills training more responsive to skills needs.

The UK Government will legislate to put LSIPs on a statutory footing through the Skills and Post-16 Education Bill.

Additional policy measures associated with this mission include:

- Reforms to funding and accountability for Further Education, with a focus on outcomes for all skills provision
- As announced at the Spending Review, places on Skills Bootcamps in England will be quadrupled
- New Higher Technical Qualifications at level 4 and 5 will be rolled out in England from September 2022

- An enhanced apprenticeship recruitment service for SMEs will be developed, and the government will make it easier for large employers to transfer their unused Apprenticeship Levy to SMEs
- New Pathfinder areas will be established to bring together local delivery partners from DWP and DfE in Blackpool, Walsall, and Barking and Dagenham
- Nine new Institutes of Technology (IoTs) will be established, building on the 12 opened since 2019. None of the new IoTs will be in the North East
- IoTs will be eligible to apply to receive a Royal Charter. DfE will set out the criteria and application process in the spring
- The Office for Students will require all English universities to refocus their Access and Participation Plans on true social mobility, emphasising activities which have a direct impact on student attainment
- From April 2022, any adult with a level 3 qualification or higher who earns below the National Living Wage or is unemployed will be able to access a further level 3 qualification for free under the Lifetime Skills Guarantee. MCAs will have the flexibility to determine the low wage thresholds in their local areas
- Adults across the UK will benefit from the Multiply numeracy programme, part of the UK Shared Prosperity Fund
- The UK Government will continue to work with local leaders to develop Local Digital Skills Partnerships

The DfE will set up a new Unit for Future Skills, which will work with BEIS and DWP to bring together the skills data and information held across government, and enable its use across central and local government, as well as by providers and the general public. The Unit will produce information on local skills demand, future skills needs of business, the skills available in an area and the pathways between training and good jobs.

This will be a multi-year project, but the Unit will aim to improve the quality of data available within and outside UK Government in the short-term to strengthen the quality of local plans and provision, and their alignment with labour market need, as well as enable the updating of apprenticeship standards, qualifications and accountability measures. Its work will also feed into DfE's commitment to provide a single-source of labour market information to learners to improve their choice of training courses and careers.

Innovation

Mission 2 commits the government to increase public investment in R&D outside the Greater South East, creating high-skilled jobs and improving productivity.

The Spending Review committed to an increase in public R&D spending to £20bn by 2024-25. 54% of current R&D expenditure is in the Greater South East, which contains London, Oxford, and Cambridge. The Greater South East has increased its share of gross R&D by approximately one percentage point a year since 2017. Since 2018, business R&D expenditure in the Greater South East has risen, while plateauing across the UK in aggregate.

The headline metrics used for this mission are:

- Business expenditure on R&D
- Government funding for R&D

Government R&D funding and business R&D expenditure will be collected at the regional level and aggregated to monitor progress outside the Greater South East. All government departments will be asked to collect data on their regional R&D expenditure and work with the ONS to publish it. The government will set specific departmental spatial R&D targets for BEIS, the Department of Health and Social Care (DHSC), the Department for Transport (DfT), and the Department for the Environment, Food and Rural Affairs (Defra). Regional government R&D funding will exclude government R&D expenditure towards Horizon Europe.

Achieving the mission will require sustained and targeted increases in public R&D investment outside the Greater South East, as well as increased investment by business. To contribute to this mission, BEIS have committed to invest at least 55% of their domestic R&D funding outside the Greater South East by 2024-25, including UKRI funding and R&D infrastructure expenditure. Commitments to increase public investment have also been made by DHSC, MOD, DfT and Defra.

The supporting metrics for this mission are:

- Percentage of businesses that are innovation active
- Inward and outward Foreign Direct Investment (FDI)

The government acknowledges that FDI in R&D intensive activities is a key driver of R&D intensity at the subnational level. In 2020, foreign-owned businesses were responsible for 50% of business R&D performance in the UK. Supporting and expanding FDI, including through the Global Britain Investment Fund is a core element of achieving this mission.

The LUWP announces a pilot of three new Innovation Accelerators in Glasgow, the West Midlands, and Greater Manchester. These are intended to boost economic growth by investing in R&D strengths, attracting new private investment, boosting innovation diffusion, and maximising the economic impact of R&D institutions.

The pilots will build on the R&D strengths of each area, and will be supported by £100 million of new government funding between 2022-23 and 2024-25. Innovation Accelerators will be delivered day-to-day by UKRI and Innovate UK, and funding will be delivered through a process overseen by BEIS and UKRI.

Each Accelerator will bring together national and local government, industry and R&D institutions in a long-term partnership. The consortia will be expected to develop a plan and identify transformational projects to grow their local innovation ecosystem, which may include working with partners outside of the immediate geography. They will receive bespoke support from BEIS, in partnership with other departments and their regional teams.

UKRI and other R&D funders will continue to work with places not selected for this pilot as part of the 2030 R&D mission to increase R&D investment outside the Greater South East. BEIS will consider rolling out the model to others following this three-year pilot if it proves successful.

North East-specific investments referenced in the LUWP include:

- The MOD will expand the regional footprint of the Defence Science and Technology Laboratory (Dstl). Dstl will launch a Science & Technology Experimentation Hub in Newcastle, specialising in AI and data science, in spring 2022.
- BEIS will invest £33m through the cross-sector Driving the Electric Revolution programme for Power Electronics Machines and Drives (PEMD) Industrialisation Centres in Newcastle/Sunderland, Strathclyde, Nottingham/Warwick and Newport (South Wales)
- The MOD will enhance and accelerate R&D spend across the UK, including £17.5m to develop active electronically scanned array seeker technology, working with industry in North East England and Scotland

Transport

Mission 3 is focused on improving transport connectivity. The LUWP acknowledges the variation in the quality of transport connectivity around the UK, and the impact that this has on economic and social outcomes.

This mission aims to begin to redress geographical imbalances in the UK's transport infrastructure, to boost the productivity of areas outside London, and to contribute to the Net Zero target by delivering more effective public transport. The headline metrics that the Government will use to measure the success of transport interventions are:

- Usual method of travel to work by region of workplace
- Average travel time in minutes to reach nearest large employment centre (5,000+ employees), by mode of transport and at lower tier local authority level in England

The supporting metrics for this mission are:

- Percentage of non-frequent bus services running on time, by region
- Average excess waiting time for frequent bus services, by region
- Public transport trips as a proportion of total trips per year, by region

Achieving success for this mission would see these metrics moving towards London levels for all regions. The Department for Transport will develop new metrics to estimate connectivity between regions and places to support the measurement of this mission.

Transport policy measures referenced in the LUWP include:

- The national bus strategy for England: <https://www.gov.uk/government/publications/bus-back-better> and the Cycling and Walking Plan: <https://www.gov.uk/government/publications/cycling-and-walking-plan-for-england>. The Government will use funding allocated to the national bus strategy to enable increased frequencies and reduced fares, and introduce new forms of demand-responsive transport to underserved areas. A pilot project in Cornwall will start this year to reduce bus fares
- The City Region Sustainable Transport Settlements announced at the Spending Review, which will invest £5.7 billion in transport networks in eight English city regions covered by a Mayoral Combined Authority. Mayors will be required to design a plan for transport improvements based on their areas' needs and

opportunities, and delivery will be monitored by central Government. The North of Tyne has not received a transport settlement; however the LUWP affirms that the North East is eligible for a settlement subject to the creation of appropriate governance arrangements to agree and deliver funding.

- Areas with devolution deals which include transport powers will be supported to put in place Local Transport Plans, and the government will offer multi-year integrated settlements covering core local transport funding streams for local highways maintenance and smaller upgrades. The Department for Transport will explore opportunities to further simplify funding streams and reduce the requirements to access competitive funding.
- The government will also explore devolving more transport powers and responsibilities to MCA areas: this could include control over Key Route Networks, control of taxi and private hire vehicle licensing, and devolving the Bus Service Operators Grant
- The newly created Great British Railways (GBR) will be commissioned to explore opportunities to improve local engagement, and to develop partnerships that include the ability for local leaders to integrate ticketing and fares, control stations and buy additional services or infrastructure to achieve local transport and housing priorities more effectively. Existing devolved responsibilities in Tyne and Wear will be maintained.

Housing and Planning

Mission 10 aims to provide a path to home ownership for first-time buyers and improve the standards of housing in the UK.

The proportion of households that own their own home has fallen in all regions since 2003-04, ranging from a fall of 10 percentage points in London to 5 percentage points in the North East. Nearly one in ten (9%) homes still contain hazards that pose an imminent risk to health, and one in six (16%) are still classed as “non-decent”.

The headline metrics for this mission are:

- Proportion of non-decent rented homes
- Number of first-time buyers

The number of first-time buyers will be measured by English region. There are currently no UK Government statistics that provide this data at a regional level; the government is committed to developing a public metric for annual first-time buyer numbers at the sub-national level within the next year.

The headline metric for housing quality is the proportion of renters living in housing that does not meet the Decent Homes Standard. The Decent Homes Standard is being reviewed to ensure it is fit for the present day, and the UK Government’s intention is to apply it across all rented tenures. Currently, housing quality can only be measured at the regional level in England. The metric will look at outcomes in all regions in England, as all areas have pockets of poor outcomes.

Halving the number of non-decent rented homes would require a considerably faster rate of improvement than the current trajectory. If the rate of improvement from the last five

years was to continue until 2030, the number of non-decent homes would drop by around 10%.

The secondary metrics for this mission are:

- Recent first time buyers (last 3 years)
- Net additions to the housing stock

To meet the manifesto pledge of delivering 300,000 new homes per year in England by the mid-2020s, the government will reform the planning system and give councils more tools to regenerate land. Funding for this measure includes:

- £1.8 billion investment in brownfield and infrastructure projects announced at the Spending Review will unlock the delivery of up to 160,000 homes across England. The government has abolished the “80/20 rule”, which historically targeted 80% of particular housing funds at areas of lowest housing affordability, leading to an underprovision of funding outside London and the South East of England.
- The North of Tyne Combined Authority will be eligible to receive £8 million from the extended Brownfield Housing Fund to bring disused land back into use
- The £11.5 billion Affordable Homes Programme will deliver up to 180,000 affordable homes with 75% of these delivered outside London, and lever in an additional £38 billion in public and private investment in affordable housing.
- A £1.5 billion [Levelling Up Home Building Fund](#) is being launched, which will provide loans to SMEs and support the UK Government's wider regeneration agenda in areas that are a priority for levelling up.
- The government pledge to increase the amount of social housing available over time, and review how to support councils to deliver greater numbers of council homes, alongside Housing Associations

The government will refocus Homes England to play a wider role in supporting Mayors and local authorities to realise their ambitions for new affordable housing and regeneration in their areas. Homes England will be asked to use its statutory powers, funding and expertise to support delivery of regeneration schemes, with a focus on unlocking barriers that are preventing the private sector from investing. This will build on the lessons of the partnership with Greater Manchester Combined Authority, Homes England and local housing providers in Manchester.

Policy measures to improve housing quality include:

- The government will publish a White Paper in the spring setting out support for tenants in the Private Rented Sector. This will include ending ‘no-fault’ Section 21 evictions, proposals for new minimum standards for rented homes, introducing a National Landlord Register and taking action against rogue landlords
- A Social Housing Regulation Bill will be brought forward, which will provide tenants with performance information so they can hold their landlord to account, and improve the complaints process
- £2.2 billion funding through the Home Upgrade Grant, Social Housing Decarbonisation Fund and Boiler Upgrade Scheme will help to improve energy efficiency, reduce carbon emissions and lower energy bills. The Future Homes Standard and Future Buildings Standards will also ensure new homes and buildings reach much higher energy efficiency standards

- A new Task Force will be launched to look at ways better choice, quality and security of housing for older people can be provided, including how to address regional disparities in supply of appropriate housing
- The government will deliver £2 billion of investment to tackle homelessness and rough sleeping over the next three years

The government intends to continue with reforms to the planning system, including simplifying local plans, increasing community participation, and enhancing compulsory purchase powers. More details will be published in due course.

Digital, Culture, Media, and Sport

Mission 4 is directed at addressing spatial disparities in digital infrastructure. “Nationwide” coverage is defined as 95% of the UK for 4G, and at least 99% of premises for gigabit-capable broadband.

Good 4G coverage is currently available from at least one major network operator in 92% of the UK, up from 80% in 2017. Places not receiving any coverage are concentrated in rural areas. Gigabit broadband is currently available in 63% of UK premises, again with maximum availability being concentrated in major urban centres. The areas with no availability are predominantly rural. The government identifies rural North East England as an area likely to benefit the most from improved digital connectivity.

The headline metrics for this mission are

- Percentage of premises with gigabit-capable broadband
- Percentage of 4G (and 5G) coverage by at least one mobile network operator

The metrics for this mission will be tracked at lower tier local authority level using Office of Communications (Ofcom) and Think Broadband data. This mission will be delivered through private sector partnership with the government. It is expected that private providers will roll out infrastructure coverage in the first instance, while the government will cover gaps in provision for areas where it is not economically viable for the private sector.

The government’s ambition is for the majority of the population to have access to a 5G signal by 2027. In 2022, the government will publish the Wireless Infrastructure Strategy, a review of private sector delivery of wireless infrastructure, including 5G. This review will determine whether there are any market failures in places that need to be addressed, and how the government could tackle these.

The LUWP commits the government to increase cultural spending outside the capital, and pledges that 100% of the Arts Council England (ACE) funding uplift agreed at the latest Spending Review will be spent outside London. DCMS will set out further plans in the spring, including by identifying over 100 levelling up priority places outside of London that will be the focus for additional ACE engagement and investment.

The government will review the Community Ownership Fund so that more fans can take control of their vital local assets such as football club grounds. £25 million will be invested this year across the UK to upgrade grassroots sports facilities.

Town and city centres

Mission 9 is focused on improving pride in place and strengthening social and institutional capital in left-behind areas.

This mission is described as “exploratory” as there are no official statistics that measure pride in place or satisfaction with town centres at the subnational level. The government will undertake work to understand the drivers of pride in place, improve the evidence base on what determines it and assess how policies might be designed to improve it, especially in communities where it is low.

The provisional metrics identified for this mission are:

- Percentage of adults who are satisfied with their local area as a place to live
- Percentage of individuals who have engaged in civic participation in the last 12 months

The government will identify and engage with 20 places in England that will particularly benefit from regeneration to support transformational projects in town and city centres. The areas in focus will need to demonstrate strong local leadership and ambition, and show that the impact of existing investment can be maximised to catalyse economic transformation.

This programme will be led by Homes England. Projects in scope include new housing; health, education and leisure facilities; and roads and railways. The 20 areas will be prioritised within the new £1.5 billion Brownfield Fund. The government will work with local leaders, the private sector and a range of government agencies and departments to focus on where government investment can be maximised.

Sheffield and Wolverhampton have been identified as the first areas to benefit from this programme. No further detail on the other areas to be supported, or the process for choosing them, has been provided. A press release for this announcement has been published by DLUHC [here](#).

A further 68 local authorities will be supported by the [High Streets Task Force](#), including North Tyneside and Northumberland. Delivery to these local authorities will be staggered, starting from summer 2022 until the end of the programme in 2024.

The government will incentivise landlords to fill vacant units by giving local authorities the power to require landlords to rent out vacant properties to prospective tenants.

Other announcements

The government will set out its strategy to tackle the core drivers of health inequalities through a new White Paper on Health Disparities published this year.

Recommendations will be taken forward from Henry Dimbleby’s review towards a National Food Strategy. DfE will work with the Food Standards Agency to pilot measures to ensure greater compliance with the school food standards. The government will pilot the Community Eat Well programme, enabling GPs to prescribe exercise and healthy food.

£50 million from the Safer Streets Fund will be invested every year to give Police and Crime Commissioners, local authorities, and also certain civil society organisations in England and Wales the resources they need to tackle crime and anti-social behaviour.

£93 million will be invested in scaling up the amount of unpaid work that offenders to around 8 million hours per year – 1.75 million hours higher than any time since records began in 2015. Police officers will also gain the power to deal with noise nuisance.

Building on investment from the 10-year Drugs Strategy, the government will work intensively with the local authorities of 10-20 areas most affected by prolific neighbourhood crime.

17 March 2022

Item 7: Green Skills Bootcamps

1.0 Background

Over the course of this Parliament, the Government is providing £2.5 billion (£3 billion when including Barnett funding for devolved administrations) for the National Skills Fund, meeting a commitment made in the Conservative manifesto (2019). *'The fund will help businesses find and hire the workers they need; as well as supporting adults to flourish and fulfil their potential through high quality training'*.

Skills Bootcamps aim to secure benefits for adults by giving them access to in-demand skills training and a guaranteed interview for a more sustainable, higher-skilled job and higher wages over time. The benefits for employers include helping them fill specific skills shortage vacancies, enabling them to become more productive, more quickly.

The Department for Education are interested in testing models where employers are directly involved in the delivery of Skills Bootcamps and prospective providers are required to demonstrate extensive evidence of employer involvement in the design and proposed delivery of their Skills Bootcamp provision. This could include involvement in the provision of behavioural skills support, work experience, coaching and mentoring, or the delivery of content.

All Local Enterprise Partnerships (LEPs) have been invited by the Department for Education (DfE) to submit proposals to deliver Skills Bootcamps across their area, based on analysis of skills demand in specific sectors or by specific employers. The aims of these skills bootcamps are detailed below.

Skills Bootcamps aims:

- deliver flexible training programmes lasting up to 16 weeks, based on employer / sector 'in-demand' skills needs which may be either regulated (i.e. qualification based) or non-regulated (e.g. based on alignment with industry standards) enabling adults to do training around work and other commitments, looking to gain work, additional responsibilities, or access new opportunities and will offer a guaranteed job interview (in the case of a new job) to individual participants on completion of the course.
- to address the needs of adults (19+) who are full-time and part-time employed, unemployed, returning to work after a break or self-employed, and provide individuals with wider access to opportunities to retrain, update or formalise their skills or acquire specialist skills
- to address the needs of employers and the wider economy, to deliver targeted interventions to meet short-medium term demand to fill vacancies and drive productivity. They will help fill medium-higher level vacancies and bring individuals closer to better jobs, by linking them with line of sight to a job/ different role, additional

responsibilities or new opportunities/contracts

- to help fill vacancies and bring individuals closer to better jobs (including those currently in employment), by linking them with line of sight to a job / different role, additional responsibilities or new opportunities / contracts

Level of Delivery

- Skills Bootcamps must be delivered at Level 3-5 or equivalent. Level 2 or equivalent Skills Bootcamps can only be delivered in Construction, Green Skills and Logistics (HGV driving).

Course Length

- Courses are expected to be a minimum of 60 Guided Learning Hours (GLH) and a maximum of 16 weeks. Guided Learning Hours are the time a learner spends being taught or instructed by – or otherwise participating in education or training under the immediate (live) guidance or supervision of – a lecturer, supervisor, tutor or other appropriate provider of education or training whether this is in person or online.

Course Content and Flexibility

- Skills Bootcamps should be reasonably delivered to a participant concurrently employed in either a full-time or part-time role or around other commitments. Courses should also be accessible to learners and adjustments must be made, as appropriate for those learners with Protected Characteristics (as defined by the Equalities Act (2010)). Suppliers must also demonstrate the provision of a 'wraparound service' of learner support (for example, using a coaching and mentoring approach, from programme application stage, during, and post programme, to move people into jobs/new roles and opportunities).
- This should include upfront screening of applicants, soft skills (or work readiness) training to support the occupational skills training, vacancy/role/opportunity identification, providing pastoral services to help participants complete the program, and follow-up services to participants and employers to support job placement (mentorship, pastoral support) and high-quality advice and guidance to support the learner into a positive employment outcome (for example, CV writing support, mock interviews).
- All learners are expected to progress on to a guaranteed job interview upon the completion of the Skills Bootcamp, (in the case of a new job).
- Provision may be delivered remotely online or face to face or a blended approach.

2.0 Research

Need for the project and vision

The North East LEP have developed a Green Skills Bootcamp proposal against the **3 prioritised sectors** as they align to the growth sectors in our Strategic Economic Plan. Working with sector stakeholders, we have undertaken research to evidence skills demand and have well developed strategies and actions plans to meet these evidenced skills needs. A common theme of this research is that the current skills provision in the North East LEP area requires support in order to meet the skills needs and recruitment requirements of these

sectors, by stimulating the market and bridging the gap between mainstream provision and small-scale bespoke provision available only on a more costly commercial basis.

Green Construction and building - The North East LEP's Domestic Energy and Retrofit assessment: The North East LEP's assessment of skills in domestic energy identified an urgent need for scaling up skills provision in order to meet the region's net zero targets. In the North East LEP area in 2019/20 there were 223 full time equivalent workers employed in Domestic Retrofit and to achieve net zero by 2030 the requirement is 19,000 workers.

The assessment clearly identifies a lack of provision in the region. The Retrofit Readiness online survey of Further Education Colleges in the North East LEP area and wider found that 82% of FE colleges needed to increase provision in retrofitting. 64% FE Colleges identified the key constraints and challenges to growth in this area were funding model constraints which make it difficult to unlock funding for retrofit. 62% of training provision is currently manufacturing led training for installation of new technologies in the North East LEP area, however this training has been found by organisations such as the Energy Systems Catapult to be compressed and condensed. They are short 1-3 day course covering the specific technology of the manufacturer and there is a need to provide more extended provision.

The biggest number of workers required is for Retrofit Installers which include wall insulation installers, there is a need for installers to update their skills and for training providers to add specific course units on the new technologies. In 2019/20 there were 139 full time equivalent workers. To deliver net zero by 2030 in domestic retrofit, the North East LEP are will need to have 11,804. The new Roles of Retrofit Co-ordinator and Retrofit Assessor are also critical to delivering Whole House Retrofit. In 2019/20 there were only 13 FTE Retrofit Co-ordinators and this 772 are required. For Retrofit Assessors the corresponding figures are 6 to 618. Additionally, the North East LEP's domestic energy demand study estimates there will be an increase in requirement for gas engineers. There will also be demand for this role in relation to associated systems efficiency measures installations such as control systems to be upgraded without full boiler replacement.

North East LEP's skills assessment is using this evidence to develop a 10 year Action Plan, focused on developing existing training infrastructure, updating existing training, developing new provision to address the new Retrofit Roles and connecting local demand more closely to skills supply.

Green Power – The North East LEP's Energi Coast strategy and action plan: The North East is a leading location in England in the wind energy, oil, and gas sectors with a thriving cluster of supply chain businesses to the offshore energy and subsea industry, supporting 15,000 jobs. There is a shortage of skilled workers with the appropriate industry relevant technical skills and understanding of the HSE and regulatory environment offshore wind requires. This is exacerbated by increased demand for skills as the industry grows and the loss of skills and talent through an ageing workforce. The LEP works closely with the Energi Coast industry cluster and facilitates the Energi Coast skills group which is a partnership between education and industry working collaboratively to address these skills challenges. Our understanding of the local labour market, skills supply and demand and relationships across the industry and education, mean we are well placed to lead green skills bootcamps to develop the skills employers in our region require.

Further insights into the scale and scope of the demand for these skills in the region can be found via these links:

[Offshore wind provision](#)

[Skills Impact on the Green Economy and Digital Skills](#)

[Employment and Skills needs in Offshore Wind](#)

[Energi Coast Skills](#)

Green transport - Electrification: The North East LEP is currently carrying out a full assessment of skills shortages across electric transportation. The data is currently in the final stages of a quality review, but initial findings show there is a gap in provision of courses to upskills technicians to work with electric and hybrid vehicles. In particular, there is a lack of provision in diagnostics, repair and replacement and maintenance of hybrid and electric vehicles.

A common theme of this research is that the current skills provision in the North East LEP area requires support in order to meet the evidence skills needs and recruitment requirements of these sectors. We expect that the proposed skills bootcamps will help boost the provision of skilled workers in these critical sectors and help ensure the North East meets its net zero targets.

3.0 Report

The North East LEP's proposal covers the full North East LEP geography. We have engaged with over 157 stakeholders and employers through a series of market events. The specification asks for innovative and employer designed and delivered bootcamp models. In our proposal we intend to test new providers and develop collaborations to enable employer/providers to deliver accredited and non-accredited programmes to meet their own skills needs. We will be supporting these providers to enable them to meet DfE and ESFA funding requirements, building their capability to meet future sector skills needs.

The North East LEP current proposal includes:-

- indicative provision of circa £5m, with over 1200 learners based on initial EoI's from our provider base
- a breakdown of key milestones
- a timeline for delivery and
- a full risk assessment.

The role of the LEP is to procure provision, the procurement exercise will be competitive, monitor and manage the contract in accordance with the guidance set out by the Department for Education, engage employers and evaluate the provision over the period of the contract.

The Department for Education is currently in discussions with all LEPs who submitted proposals. The outcome and allocation of the grant award is dependent on the DfE's priorities, however as Green Skills is a key priority we anticipate being made an award, and although there is uncertainty around the value of the grant award, in anticipation and in accordance with the scheme of delegation, that delegated approval is also being sought by NTCA due to the potential value of the contracts.

4.0 Recommendation

4.1 The Board is recommended to:

- i. Note the details provided in the paper and the outline proposal for Green Skills Bootcamps.

- ii. Confirm their approval and authority to commence the procurement process that will determine the appointment of the North East Local Enterprise Partnership (North East LEP) Green Skills Bootcamp delivery partners, via the North of Tyne Combined Authority procurement portal.
- iii. Confirm their approval for delegated authority to the Chief Executive and NTCA's Interim Chief Finance Officer (section 73 officer) to enter into and approve two delivery contracts with the successful bidder, who will deliver skills bootcamps up to the value of £5m.

17 March 2022

ITEM 9: LEP Board membership

1.0 Background

1.1 This report provides an update on the current LEP Board membership and seeks to consider the position of some private sector Board members whose current terms of office are coming to an end.

2.0 Membership and terms

2.1 Appendix one sets out the current Board membership and the private sector board members' terms of office. The LEP Constitution specifies that a term is three years and Board members can do two terms, therefore six years in total. A third term is by exception and must be agreed by the Board. There is a precedent for a third term, as the Board has previously agreed the extension of Gillian Hall's membership.

2.2 In light of the national LEP Review work, it is not felt appropriate to be recruiting new members to the Board until the detailed recommendations of the Review are published by Government. The Levelling Up White Paper confirmed the principle that LEPs had an important role in economic development. All 38 LEPs are expecting a letter from Government in the next few weeks, which is anticipated to set out more details on the future role and responsibilities of LEPs. Government may also set out some boundaries to shape LEP Board membership. It is therefore not appropriate to begin recruitment of new members until this detail is known.

2.3 There are three Board members whose two terms will be up in April 2022 and one LEP Board member whose two terms will be up in November 2022 (highlighted in appendix one). Therefore, the Board is asked to support that the Chair speaks to each of the four members to ascertain their appetite in extending their Board membership for a period and no longer than a third term. This will allow for the LEP Review to report fully, and for the LEP Board to understand if Government are placing any criteria around the makeup of future LEP Boards.

5.0 Recommendation

5.1 The Board is asked to:

1. Agree that the Chair speaks to each of the four members to ascertain their appetite in extending their Board membership for a period, up to a third term, and:
2. Delegate authority to the Chair, in liaison with the three Vice Chairs, to extend the terms of the four Board members up to a further term.

Appendix One – North East LEP Board members

Member Name	Organisation	Notes	Term one start date	Date after two terms*
Lucy Winskell	Northumbria University	Chair	01/09/2020	31/08/2026*
Heidi Mottram	Northumbrian Water Group	Vice Chair	13/04/2022	12/04/2022
Gillian Hall	Gillian Hall Consulting Ltd		10/12/2013	09/12/2022
Erika Leadbeater	TSG Marine		30/01/2020 (1 st meeting)	29/01/2026*
Ammar Mirza	AmmarM (UK) Limited	SME representative	24/11/2016	23/11/2022
Andrew Moffat			13/04/2022	12/04/2022
Mark Thompson	Ryder Architecture		13/04/2022	12/04/2022
Kate Wickham	Gate 7		07/06/2018	06/06/2024
Vacancy	(Vacant following John McCabe leaving)		tbc	tbc
Carol Botten	Voluntary Organisations Network North East	VCSE representative	30/01/2020 (1 st meeting)	29/01/2026*
Prof. Chris Day	Newcastle University	HE representative	01/10/2020 (1 st meeting)	n/a
Ellen Thinsesen	Education partnership	FE representative	27/09/2018	n/a
Cllr Tracy Dixon	South Tyneside Council	Vice Chair		
Mayor Jamie Driscoll	North of Tyne Combined Authority			
Cllr Nick Forbes	Newcastle City Council			
Cllr Martin Gannon	Gateshead Council			
Cllr Graeme Miller	Sunderland City Council			
Mayor Norma Redfearn	North Tyneside Council	Vice Chair		
Cllr Amanda Hopgood	Durham County Council	Observer		
Cllr Richard Wearmouth	Northumberland County Council	Observer		

*An assumption of two terms is made for the purposes of the table

17 March 2022

Item 10: 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 January.

2.0 Chair key meetings and discussions

2.1 Since the last Board meeting on the 27 January 2022, the LEP Chair has been involved in a variety of meetings and discussions as outlined below:

- Regular meetings between the LEP Chair and CEO;
- Transport for the North briefing;
- LEP Cross Chairs meeting;
- National Careers Week launch;
- North East Energy Catalyst summit;
- Newcastle City Council: in conversation with Gordon Brown meeting.

3.0 Chief Executives key meetings and discussions

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

- LEP Cross Chairs meeting;
- Regional Economy Group;
- Meeting with Neil O'Brien, MP and Paul Scully MP;
- Borderlands Economic Forum;
- CBI working dinner;
- Leamside line stakeholder event;
- Attendance at Convention of the North;
- Speaker at North East Development Conference;
- Growth Hub Inclusive MP briefing;
- NTCA Investment Panel;
- National Careers Week launch;
- LEP Network meetings;
- Monthly meetings with the North of Tyne Combined Authority and the LEP;
- NP11 Chief Executives' Meeting;

4.0 Recommendation

4.1 The Board is recommended to note the report.