

North East Local Enterprise Partnership Board



Thursday 21 July

17.00 – 19.00

AGENDA

Items 6 and 7 are confidential as the papers 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 19 May 2022** (5.05pm)
Board will be asked to agree the Minutes.
4. **Implementing the LEP Review** – verbal update (5:10pm)
Helen Golightly to present to the Board
5. **Annual Delivery Plan, Progress update** – paper attached (5.20pm)
Helen Golightly to present to the Board.
6. **Fund management update** – confidential paper attached (5.30pm)
(a) Investment Funds' update - Paul Woods to present to the Board
(b) Skills Funds' update – Michelle Rainbow to present to the Board
7. **UKSPF update** – confidential paper attached (6.05pm)
Colin Bell to present to the Board
8. **Devolution update** – verbal update (6.20pm)
Henry Kippin to present to the Board
9. **Economic roundup update** – paper attached (6.35pm)
Richard Baker to present to the Board
10. **Chair and Chief Executive update** - paper attached (6.45pm)
Lucy Winskell and Helen Golightly to update the Board
11. **Any Other Business** (6.50pm)
12. **Date and time of next meeting - Thursday 29 September from 5 - 7pm**

Annual Delivery Plan Update July 2022

Item 5

This report has been refreshed in line with the Annual Delivery Plan, which can be seen [here](#).

It has been designed to show progress, priorities and raise any issues that the Board should be aware of.

We'd welcome any feedback on this report so we can continue to refine and improve it.

Please contact jen.robson@nelep.co.uk if you have any feedback.

Representing the business voice: Embed a strong, independent and diverse local business voice into local democratic institutions

Initiative	Progress since last Board meeting	Priority action for next two months	Decisions / issues / discussion points	RAG status
Fill vacancies on the North East LEP Board as they become available to ensure a strong representation of businesses across the North East.	Board approval to progress with recruitment.	Progress the recruitment process.		Amber
Review the structure and remit of our advisory boards and sector groups to ensure their remit reflects the priorities outlined by government that they have strong business representation.	Work is underway to review the current sub-board governance structures, their terms of reference, membership and focus.	Continue this process.		Amber
Work with combined and local authorities to highlight business-led priorities and the priorities identified within the Strategic Economic Plan, to ensure they are integrated into future devolution proposals.			Awaiting an engagement plan from NTCA / LA7.	Amber
Support the democratic institutions leading on strategic investment plans for the UK Shared Prosperity Fund by providing the evidence base to inform decision making, leadership, and to ensure business priorities are central to thinking.	Supported the delivery of a regional engagement event, which took place on 19 May, attended by 130 regional stakeholders. Summary of event is here .	Data and analysis will be updated and added to.		Green
	Published UKSPF evidence base on the North East Evidence Hub here .			
Work with the local and combined authorities to ensure there is a shared economic evidence base across the region, and to highlight regional investment priorities for integration into investment planning, to maintain a regional level approach where appropriate.	Evidence base for UKSPF was generated in real time, feeding into the steering group and investment theme working groups.	Conversations with local and combined authorities on additional evidence activities to inform their investment planning are ongoing.		Amber

Added value: Part of ensuring continued engagement with the business community requires the LEP to remain consistent with its strong governance and communications activity. In addition to the above, between April 2022 and March 2023, we will:

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Ensure progress updates to the North East LEP Board reflect the new remit for LEPs as defined by government, and the progress of the North East Strategic Economic Plan to 2024.	Published the Annual Delivery Plan 2022/23 . Reviewed structure of LEP Board reporting.	Follow up on any feedback on reporting.	Feedback on new reporting structure.	Amber
Hold a public Annual General Meeting.				Amber
Update the Assurance Framework in January 2023.				Green
Continue to embed communications across our programmes and priorities, but specifically deliver strategic communications to ensure the revised role and remit of the North East LEP is understood by the business community and the wider community.	Communications activity is summarised on page xx of this report. Repositioning piece authored by Helen Golightly has been published which you can see here .	Publish strategic pieces from Directors about the refreshed role.		Amber

Strategic economic planning: Lead the development of data, research and evidence for the North East economy

Initiative	Progress since last Board meeting	Priority action for next two months	Decisions / issues / discussion points	RAG status
Provide a comprehensive state of the region evidence base, including place-based intelligence that is accessible and reflects the North East's economic performance.	<p>Charts and commentary on the latest data about the North East economy have been added to the Evidence Hub.</p> <p>The regional evidence base for UKSPF and Domestic Energy Skills Assessment (DESA) has been published along with the content from the original site.</p> <p>Our second Board economic update has been produced and included with this pack.</p>	<p>Develop a model for local economic assessments to support our partners. This will be piloted with North Tyneside Council.</p> <p>Build out the evidence around our Areas of Strategic Importance and future economic markets analysis.</p> <p>Plan the refreshed approach to Our Economy 2022.</p> <p>Add new infrastructure and foreign direct investment data to the Evidence Hub.</p>		Green
Review and produce analysis of the 2021 census data, ensuring a clear understanding of the North East's position post COVID-19.	<p>We have added a summary of the 2021 Census population of the North East LEP area, which is the first output from 2021. This gives information about breakdown by local authority area and age group, aggregated to the LEP geography. We have included comparisons of percentage changes since the previous Census (2011) and some information about differences between the Census and recent population estimates.</p>	<p>Develop a timetable of analysis based on ONS's future analytical plans for the Census, which will be published on July 22.</p>		Green
Develop and support delivery of collaborative analytical and evidence activities to support key projects for Strategic Economic Plan programmes, devolution, levelling up, UKSPF with our partners in combined and local authorities and through the Economic Evidence Forum (EEF).	<p>The UKSPF evidence base has been produced and published on the Evidence Hub. It includes data for each investment theme, an update on previous European regional investment funding and a summary of evaluation reports about 'what works' in delivering outputs and outcomes.</p> <p>We have continued to support the development of sectoral strategies for advanced manufacturing, tech, and wider business ecosystem.</p> <p>We have analysed the recent release of regional trade in goods and services data and input the results into the regional trade steering group.</p>	<p>Finalise the advanced manufacturing evidence base.</p> <p>Complete the first full draft of the tech evidence base.</p> <p>Update the Strategic Economic Plan targets after the latest LEP level regional labour market release in July.</p> <p>Convene the EEF August meeting to take forward its ongoing programme of work on net zero, inclusion and standards of living. ONS and Insights North East will present at the Economic Evidence Forum on August 17.</p>		Green

<p>Systematise processes and governance for commissioning, publication and communication of evidence, data and analysis outputs and products on LEP platforms.</p>	<p>Draft guidance on publication and communication of evidence has been developed and can be seen here.</p>	<p>Implement a programme of Evidence Hub briefings for partners to encourage engagement and usage. Draft a corporate protocol for internal commissioning of research and evidence.</p>		<p>Green</p>
<p>Deliver the preparatory activities for the final evaluation of the Strategic Economic Plan programme for 2014-2024.</p>	<p>We have reviewed what data is required for all funding programmes and mapped ESIF programme spend to support UKSPF activities. Both outputs will support the final evaluation of the Strategic Economic Plan. We have begun a process of internal discussions to prepare programme leads for the next stage of the evaluation.</p>	<p>Review the evaluation framework that Steer-ED set out in 2021 and use this to inform immediate preparatory activities. Develop a specification for the next stage of work.</p>		<p>Green</p>
<p>Improve the accessibility, visibility and understanding of key North East data and evidence through the relaunch of the North East Evidence Hub.</p>	<p>The North East Evidence Hub relaunched on 19 May. Since the launch, the Hub has seen: 4,797 page views (+57.95%) from 814 users, 691 of which were new users (+33.22) Average time on page has increased to 2m 6s (+21.56%) from 1m 44s in April Sessions are up 52.70% since April at 1440 total sessions vs 943 The UKSPF landing page is the 2nd most visited page after the homepage with 932 page views.</p>	<p>Deliver the communications plan that has been developed to promote usage and engagement in the Hub. The plan includes briefings, digital marketing, bespoke newsletter to partners and commentary forward plan.</p>		<p>Green</p>
<p>Lead the development of the Northern Evidence Network (NEN) working with NP11 LEPs, TFN and government.</p>	<p>An action plan has been developed and agreed by the NEN, including three workstreams on data development, knowledge sharing and partner engagement. Workstream leads have been identified and briefed on their role. NP11 have confirmed their financial position and commitment to the network. An outline funding submission is currently being refined by the steering group. NEN is working closely with TFN on the update of the Northern Powerhouse Independent Economic Review (NPIER). We convened a meeting with LA Economic Directors to test the North East component of this work.</p>	<p>Engage with and support the delivery of each workstream. Work with NP11 to recruit external support for the NEN programme. Seek further investment to support the long term research programme. Update on progress and discuss phase 2 of the NPIER update.</p>	<p>Additional external funding for NEN activities will be required. An outline proposal has been developed and will be presented to potential funders.</p>	<p>Amber</p>

<p>Work with Newcastle University and other partners to deliver strengthened academic contribution to the evidence base through the Insights North East (INE) programme.</p>		<p>Take forward discussions about how we can partner and contribute to the Insights North East programme that will launch in September 2022.</p>	<p>We are not currently a partner of the INE programme and are seeking clarity on our role and collaboration opportunities. A proposal has been developed and is currently with the INE team for consideration.</p>	<p>Amber</p>
<p>Build on existing co-operation and develop new opportunities for research collaboration with Durham University and Northumbria University.</p>	<p>Ongoing development conversations have taken place between Durham University and the LEP to explore future collaborative projects. These include developing an evidence base to support a regional energy masterplan; and an Economic & Social Research Council (ESRC) bid around regional innovative partnerships and developing a programme of research supported by post doctoral researchers.</p>	<p>Discuss the funding and operational requirements needed to further develop the regional energy masterplan evidence base. Engage with the ESRC around the parameters of the funding opportunities. Develop a forward programme of research themes and questions which could be offered to postdoctoral researchers.</p>		<p>Green</p>
<p>Through the North East Economic Evidence Forum and other partners, develop a comprehensive analysis of the data, trends and causes of inequality and exclusion across the North East, including analysing the impact of recent economic events on standards of living and to 'map and gap' data and indicators related to White Paper missions.</p>	<p>We have begun work with the North East Inclusive Growth network to develop a shared regional view of the definition and delivery implications of 'inclusive growth'.</p>	<p>Invite the Money and Pensions Service (MaPS) to present their Financial Wellbeing Survey to the Evidence Forum to start a discussion on standards of living research.</p>		<p>Green</p>

Strategic economic planning: Strengthen regional collaboration

Initiative	Progress since last Board meeting	Priority action for next two months	Decisions / issues / discussion points	RAG status
Support the region on the development of proposals for the next stage of the region's Strategic Economic Plan post 2024.	<p>An update of the Strategic Economic Plan was published to bring the document in date and can be seen here.</p> <p>Work has started on developing an evidence base and approach to business services, which was introduced as an additional area of strategic importance.</p> <p>The Regional Economy Group continues to meet to ensure co-ordination on future strategy processes.</p>	Continue to liaise with the Regional Economy Group and its members on preparations for regional scale activity and continue to build the regional evidence base.		Green
Continue to convene the Economic Prospects Group with the Bank of England as a regional platform to share data and information about the economy with key partners.	Monthly meetings of the Economic Prospects Group have been held since the last Board. The group continues to share knowledge from across the North East.	Share intelligence through the Board economic update.		Green
Work closely with Destination Management Organisations (DMOs) and other partners to drive forward the implementation of the Statement of Intent, the North East's response to the review of DMOs, and engagement with government's strategy to enhance the visitor economy to strengthen strategic coordination in the region for growing the Visitor Economy.	<p>Working with our DMOs, we continue to monitor and inform national discussions about the implementation of the DMO Review and are seeking announcements which will strengthen regional coordination on the Visitor Economy.</p> <p>We are building the regional evidence base and developing proposals which could be taken forward through a North East Destination Delivery Partnership should that opportunity occur, including a skills plan with NGI and the Hotels Association.</p>	<p>Monitor ongoing development of these activities.</p> <p>Work with NGI to assemble Visitor Economy analysis on the Evidence Hub.</p>		Green

<p>Working with local authority planning and economic leads, the Geo-spatial Commission and other partners such as Northumbria University, to develop partnership projects that can deliver strengthened spatial economic evidence to support economic development, investment in infrastructure, and regeneration.</p>	<p>The Geo-spatial Commission published its annual plan in June which includes moving forward the pilot activity in the North East on the underground register into roll out.</p>	<p>Meet with a National Infrastructure Bank to understand their forward plan.</p>	<p>It is likely that the LEP will adopt a watching brief in this area given capacity priorities.</p>	<p>Amber</p>
<p>Collaborate with inter-governmental partnerships, think tanks and consultancies on strategic evidence and policy activities, including the What Works Centre and Productivity Institute.</p>	<p>Three workshops have been held (on skills, finance, and business support) as part of the North East and Yorkshire Productivity Forum to identify issues for the Productivity Institute to consider.</p>	<p>Support the publication and dissemination of a research output on regional level productivity in the early Autumn.</p>		<p>Green</p>
<p>Work with the EU Exit Implementation Group to complete its report analysing the impact of EU Exit on the region, bringing forward recommendations for strengthening the outcomes for the region through international work and influencing domestic policy activities implementing the Free Trade Agreement with the EU.</p>	<p>Meetings of the group have continued to monitor implementation of the Trade and Cooperation Agreement (TCA), and review the impact on the region with discussions focused on trade and investment, funding and scientific co-operation. We organised a training session to improve understanding on State Aid and Subsidy Control. A first draft of a report analysing the impacts of EU Exit on the region has been developed and presented to the group for review and approval.</p>	<p>Discuss recommendations and agree future actions.</p>		<p>Green</p>

Coordinate the North East Northern Powerhouse Working group enabling information sharing across Northern Powerhouse priorities with NP11, TFN and CLGU Leadership. This will include the coordination of the North East's response to the updating of the Northern Powerhouse Independent Economic Review.	<p>The North East Northern Powerhouse group has continued to meet bi-monthly, providing a platform for coordinating work between North East leads working into Northern Powerhouse work programmes.</p> <p>The NP11 has now had future funding confirmed with a renewed mandate on internationalisation, evidence and pan-regional coordination</p>	<p>Invite TfN to present the findings from the first phase of the refresh of the Northern Powerhouse Independent Economic Review (NPIER) and update on the next phase at the next meeting.</p> <p>Discuss and monitor how the devolution and levelling up conversations will impact the Northern Powerhouse as they continue to develop.</p>		Green
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Added value: Identifying opportunities using our convening power and ability to engage with the region to develop projects and programmes that make sense to delivery regionally has always been a strong role in our organisation and is consistent with our new mandate. Between April 2022 and March 2023 we will:

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<p>Support the ongoing development and launch of Net Zero North East (NZNE) as a collaborative regional programme to accelerate decarbonisation, develop a greener economy and secure a positive transition for our environment and communities.</p>	<p>Seven local authorities have confirmed support and financial contribution for Net Zero East. Preparatory work for launch is underway and recruitment for the Director post has commenced.</p>	<p>Working with the Steering Group, develop and agree a launch communications plan which includes publication of the evidence base.</p> <p>Continue to ensure development is coordinated with developments around the Net Zero strategy including the Net Zero Hub.</p>	<p>Work is being done to finalise the timeline on the launch of NZNEE.</p>	<p>Amber</p>
<p>Work with the Department for International Trade (DIT), North East England Chamber of Commerce and Trade Strategy to drive forward implementation of the key workstreams in the North East Trade and Export strategy in the context of the UK Trade Strategy. Coordinate engagement with the Northern Powerhouse trade and investment strategy and programme, ensuring that the North East secures strong presence and outcomes from this work.</p>	<p>Planning has continued on delivery plans for the actions set out in the agreed strategy, although the changes in organisational arrangements with the regional DIT team has created a delay in confirmation of next steps. The TUPE of the team from the Chamber of Commerce to the DIT was completed on June 30.</p>	<p>Publish a blog to explain new working arrangements.</p> <p>Host a joint meeting between LEP and DIT regional team to discuss next steps in implementation of the strategy and ways of working.</p>		<p>Green</p>
<p>Monitor and influence the ongoing development of the proposals in the Levelling Up White Paper and engage with new local institutions as they develop.</p>	<p>A Levelling Up metrics analysis (reviewing proposed metrics and alternatives) has been completed in collaboration with the Evidence Forum. The draft report was discussed with government and the new Spatial Data Unit.</p> <p>We continue to support the five lead authorities in developing their local investment plans and proposals for regional collaboration. UKSPF paper has been taken to LA Chief Executives from the Economic Directors on July 12.</p>	<p>The Levelling Up metrics analysis will be submitted in July for consideration by government.</p>		<p>Green</p>

Improving skills: Provide regional leadership and delivery on an integrated programme to increase partnership between education and employers to reduce the mismatch between skills supply and demand

Initiative	Progress since last Board meeting	Priority action for next two months	Decisions / issues / discussion points	RAG status
<p>Deliver the North East Ambition programme build and develop of true partnerships between SMEs and educators in the drive to lessen the gap between skills demand and supply through 1) supporting all schools and colleges to meet the eight Good Career Guidance Benchmarks and 2) linking employers to education through our Enterprise Adviser Network.</p>	<p>We have continued to support schools and colleges to meet the benchmarks. Highlights include the launch of our SEND transition project, a series of new LMI resources, and the successful continuation of the Gateshead BEEP project. At primary level, we have expanded the project and produced a series of parental engagement resources.</p> <p>We have continued to match EAs to schools (82.8% are now matched), 137 EAs are matched to 127 schools and colleges. We have delivered a focussed campaign to drive up employer engagement within geographical cold-spots and delivered a further Industry Insight session, focussed on construction.</p>	<p>Develop a specific SEND pathways animation. Launch new SEND work experience framework.</p> <p>Issue and evaluate impact of a headteacher newsletter.</p> <p>Launch a new KS3 Higher Education resource (in collaboration with Uni Connect), Deliver personal guidance project with middle schools.</p> <p>Deliver a series of transition projects with both secondary and primary schools. Host an engagement event in Durham in partnership with Durham Business, the FSB and New College Durham.</p>	<p>Monitoring activity and engagement with Durham businesses. Whilst we remain within our targets, we want to ensure we don't fall behind.</p>	<p>Green</p>
<p>Deliver local Careers Hubs on behalf of the Department for Education.</p>	<p>The LEP measures the number of the eight Good Career Guidance Benchmarks that have been fully delivered by schools and colleges. Across the LEP area there was progress in the average Benchmark score of 3.69 – 3.93.</p> <p>Progress remains stronger in the Hubs with the average benchmark score increasing to 4.38.</p> <p>Hub meetings have taken place for our primary schools, as well as college and SEND hubs and with our newly established middle school forum.</p>	<p>Complete and analyse term three Compass reports to inform our new Strategic Hub Plan for 2022-23. Focus will be given to those schools and colleges who are achieving less than three benchmarks as well as those with new Career Leaders.</p> <p>Encourage more schools to complete Compass plus.</p> <p>Continue delivery of the transition project within our SEND hub.</p>		<p>Green</p>

<p>Deliver the Education Challenge programme, which aims to support teachers, school leaders, governors and employers to work collaboratively to integrate an understanding of the world of work and career opportunities into the curriculum. Delivery includes Opportunity North East, a two year careers and business engagement pilot; a CPD programme for careers professionals; supporting business leaders to take up opportunities as governors; and an employer engagement strategy.</p>	<p>Out of 480 students from the North East LEP area who have been involved in the Opportunity North East pilot, 96% have a clear career aspiration. And there was a rise in the number of pupils with a post 16 plan; up from 74% at cycle 1 to 99% of students at cycle 6.</p> <p>A campaign to promote and encourage the business communiity to join school and college governing boards has been delivered, leading to 30 referrals to partner goveror recruitment organisations.</p> <p>33 SMEs have engaged in education-business partnership initiatives between April and June.</p>	<p>Project development for the academic year 2022-2023 to further develop integration of an understanding of the world of work into curriculum delivery.</p> <p>Complete the final term of Opportunity North East delivery and prepare for post-16 destination tracking and final reporting.</p>		<p>Green</p>
<p>Ensure the successful implementation of post-16 technical skills education policy across the region to ensure it addresses the imbalance between technical skills supply and demand in key employment sectors.</p>	<p>Apprenticeship Provider group has commissioned Wave Hill to conduct research on 16-18 unfilled apprenticeship vacancies. The research and recommendations will be published in October.</p> <p>We continue to represent the national LEP network on the national DfE Employer Support for T level group.</p>	<p>We will run technical education awareness sessions focussing on traineeships and apprenticeships. These will be piloted across Northumberland middle and Secondary Schools in July with a view to wider roll out if successful.</p> <p>Present the findings of a Gateshead programme evaluation to a national T Level event in July.</p> <p>North Tyneside Council will participate in a pilot to be the first LA to host T level industry placements across their businesses. Explore the opportunities to maximise learning from SME engagement across Growth Hub activities e.g. Peer Networks for SME engagement in skills technical education agendas.</p>		<p>Green</p>

Improving skills: Produce local skills analysis via Skills Advisory Panels, on behalf of the Department for Education

Initiative	Progress since last Board meeting	Priority action for next two months	Decisions / issues / discussion points	RAG status
<p>The Skills Advisory Panel (SAP) brings together local employers and skills providers to pool knowledge on skills and labour market needs, and to work together to understand and address key local challenges. The SAP will continue to deliver key functions that include advising the main LEP Board, providing oversight of delivery of regional skills, inclusion and progression programmes and projects, commissioning research into key skills challenges, and reporting into government.</p>	<p>The SAP published its annual skills report and the evidence base of a skills assessment within domestic energy sector on the North East Evidence Hub. These were used to inform the design and delivery of wave three of the Skills Bootcamps in green skills, in the North East LEP region.</p> <p>The SAP was also presented with the findings and recommendations of research into barriers to young people accessing and progressing in apprenticeships.</p>	<p>Develop a digital solution to present labour market information (LMI) in a way that is relevant for Careers Leaders.</p> <p>Work towards publishing mapping on digital skills provision in the North East.</p> <p>Finalise an interactive tool that visualises the large data set from the Domestic Energy Skills Assessment research.</p> <p>Work with stakeholders to take forward recommendations of the research into the barriers to young people accessing and progressing in apprenticeships.</p>		<p>Green</p>

Added value: Our skills programme has always considered the skills agenda, the importance of improving labour market activation, ensuring communities are connected and that there is an strong agenda to deliver employability across the region. We will continue our work in this area during 2022/23 by:

Initiative	Progress since last Board meeting	Priority action for next two months	Decisions / issues / discussion points	RAG status
<p>Support the rollout of phase three Skills Bootcamps in green skills and continue to promote the benefits of apprenticeships to businesses across the region.</p>	<p>Procurement has been completed and intent to award contracts notices issued to three lead suppliers and a consortium of seven training providers.</p> <p>The value of the contracts is £2.4 million and contract start date is 7 July.</p> <p>The North East LEP Skills Bootcamp in green skills will provide 650 individuals with the skills to secure roles and progress in green construction, green power or green transport sectors.</p>	<p>Support inception of project delivery at contract start to meet Department for Education (DfE) contractual KPIs.</p> <p>Work with contractors to build realistic learner profiles to ensure the DfE targets are met in September.</p>		<p>Green</p>
<p>Develop and publish a regional digital inclusion strategy and, together with partners, explore funding and delivery opportunities for the strategy.</p>	<p>The North East LEP expects to engage with approximately 45 organisations with the aim of collaborating on the development of a strategy and mapping provision of basic digital skills training in the North East.</p> <p>The first of a series of consultations with partners have been held in June, two held by the North East LEP and one held by Voluntary Organisations' Network North East (VONNE).</p>	<p>Continue with two further consultations in July. Engage partners in one-to-one follow-up, build database of provision and start drafting strategy.</p> <p>Draft strategy will be delivered by mid- September 2022.</p>	<p>Ensuring representation from a good variety of stakeholders, including smaller voluntary sector organisations.</p>	<p>Green</p>
<p>Continue to support DWP's Fuller Working Lives initiative and work with key stakeholders and partners to support strategic regional programmes aimed at supporting disadvantaged groups into employment.</p>	<p>Exploring opportunities with Age UK and community groups in Gateshead for a community-based approach to develop cross-generational activity and to develop wider businesses links.</p>	<p>Inception meeting to be scheduled.</p>		<p>Amber</p>

Growing businesses: Deliver the North East Growth Hub on behalf of the Department for Business, Energy and Industrial Strategy

Initiative	Progress since last Board meeting	Priority action for next two months	Decisions / issues / discussion points	RAG status
Secure investment to continue to deliver and develop the North East Growth Hub and the business and sector growth ecosystem.	A working group has been formed with UKSPF lead authorities considering the integration of the North East Growth Hub and development of core business support infrastructure. National working group established to consider how best to position and promote Growth Hubs to government.	Lead UKSPF Local Business Support workstream on Regional Infrastructure (Access Point and Diagnosis).	Funding sources not yet identified and secured for 22/23. Political landscape is currently unclear.	Amber
In response to a 50% reduction in funding we will implement a new operating model for the North East Growth Hub which will fulfil government's requirement by continuing to provide a one-stop-shop for all businesses to access support and advice, whilst developing a more targeted approach for key growing sectors.	New operational model put in place, including Connectors leading on priority sectors. New segmentation and diagnostic platform operational. In May and June 2022 the following interventions were delivered: Light assists (under one hour) - 1,437 Medium assists (one hour plus) - 96 High assists (12 plus hours) - 41	Integrate sector delivery plans. Recruit triage project manager and business support officer. Run first data report from segmentation and diagnostic platform.		Green
Work with government, local authorities, and regional stakeholders to help shape the UK Shared Prosperity Fund (UKSPF) and national programmes so that they collectively prioritise delivery of a more impactful, simplified, cohesive and better targeted business support ecosystem.	Working group with UKSPF lead authorities is developing a regional framework for the local business support strand of UKSPF.	Continue to work with UKSPF working group to support the development of a regional framework.	Strong regional working underway but a detailed regional framework and commissioning structure has yet to be agreed.	Amber

<p>Develop an evidence base to inform the development of a regional and local enterprise strategy and interventions designed to level up the North East's business birth rate.</p>				<p>Green</p>
<p>Develop an evidence base to inform the creation of a regional scaleup plan designed to build on the momentum generated in the North East over previous years.</p>	<p>An initial scoping brief has been drafted to explore the business lifecycle including scaleups and drivers of productivity. This exercise will establish and fill gaps in the existing evidence base.</p>	<p>Work with the strategy and evidence team to scope out commissioning options to move forward the research brief.</p>	<p>Progress stalled due to the need to deal with funding cuts and restructure the team.</p>	
<p>Establish the firm level drivers of productivity performance and consider how these drivers can be diffused across the wider business community by working with the Productivity Institute.</p>				
<p>Identify opportunities and funding to implement the recommendations of the North East Internationalisation Strategy that relate to increasing the number of active exporters in the North East.</p>	<p>Priorities have been focused on TUPE from the North East England Chamber of Commerce to government over the past few months and therefore delivery progress has been limited.</p>	<p>Follow up discussion arranged for August to refocus next steps and priorities.</p>		<p>Amber</p>
<p>Ensure that the business support framework and taxonomy support business resilience by supporting businesses to identify and mitigate areas of risk around net zero plans and the effects of rising energy prices as businesses adapt to new ways of working.</p>	<p>Submitted bids to UKSPF that are focused on business resilience and net zero transition (South Tyneside and Sunderland). The Growth Hub's new diagnostic platform as a sustainability section creating the bridge between business need and business support.</p>	<p>Measure and report on diagnostic data to identify business resilience trends and intelligence.</p>		<p>Amber</p>

<p>Work with Invest North East England (INEE) to identify and convert investment opportunities to create more and better jobs for the region.</p>	<p>Inward investment figures released by DIT show the North East created more jobs than any other UK LEP region in 2021/22 from foreign direct investment (FDI).</p> <p>Regional figures collected by INEE show the North East created over 8,500 jobs (from both FDI and UK-owned investment).</p> <p>Attended a number of events including UK REIIF and EV Expo Birmingham to promote the sector.</p> <p>Hosted a tech delegation of international T&I specialists to visit the region and see the digital assets.</p> <p>Worked with DIT to engage with companies and posts with the High Potential Opportunities Programme.</p> <p>Launched Electric North East - a dedicated micro-website around the EV sector.</p> <p>Regional property database has been updated with additional functionality.</p>	<p>Respond to all new project enquiries and will continue to work with the North East LEP with any new North East Inward Investment Grant applications.</p> <p>Attend a number of events including Wind Hamburg, SENEX and US Battery Show all in September.</p> <p>Manage and deliver the KAM for DIT.</p> <p>Work with Tyne Power and wider stakeholders to discuss how to promote the Offshore Wind sector in the North East.</p> <p>Work with the EV sector to continue developing the EV inward investment strategy for the North East.</p> <p>Work with DIT on the Green Trade and Investment Expo to be held in NE in Oct/Nov, and supporting activity/wrap around events.</p> <p>Work with Whitecap on the North East Fintech Strategy (due to be released Sept 22).</p> <p>Work with Durham University to create a proposition document to showcase the digital skills in the North East (inc programmes / schemes /upskilling NE skills / STEM). Also benchmark the North East against other European cities, identifying opportunities and making recommendations.</p>	<p>Further delays with the completion of the Just Eat funding agreement may require a further report back to the Investment Board in September.</p>	<p>Green</p>
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Growing businesses: Identify actions needed to support priority sectors, aligned to the relevant leveling up missions:

Our delivery activities have always focused heavily on areas and sectors of opportunity, specifically energy, tech, health and life sciences and advanced manufacturing. Our delivery activity in these areas is included below.

Initiative	Progress since last Board meeting	Priority action for next two months	Decisions / issues / discussion points	RAG status
Energy				
Accelerate regional low carbon energy projects across all seven local authority areas, to deliver on net zero goals.	<p>Tenders published for regional heat network pipeline finance options, and heat network supply chain development.</p> <p>Hebburn district energy network expansion feasibility study complete (final draft).</p> <p>£263,000 government funding secured for feasibility studies.</p>	<p>Support completion of feasibility studies for Blyth and Cramlington (Northumberland), Northern Spire Park (Sunderland) and Killingworth (North Tyneside) heat networks.</p> <p>Support development of property surveys tender for low carbon neighbourhood project (Newcastle).</p> <p>Commence study for regional heat network pipeline finance options.</p>		Green
Work with partners in the North East and Yorkshire to ensure the successful transition of the Local Energy Hub to the Net Zero Hub, supporting the UK Net Zero strategy and wider Net Zero action.	<p>Shared the Domestic Energy Skills Assessment with the Hub network.</p> <p>Worked with other LEPs to align responses to an OFGEM call for input.</p>	<p>Help prepare local authorities for the Public Sector Decarbonisation Skills Fund.</p> <p>Support the evaluation of the North East and Yorkshire Net Zero Hub.</p>		Green
Coordinate the North East Energy Catalyst, enhancing collaboration through the partner and SME networks, and enabling delivery of the Energy Innovation Pipeline and an Energy Innovation Challenge Programme 2.	<p>Draft North East Hydrogen position paper produced.</p> <p>Equinor agreed to provide commercially valuable data from wind farms currently in use. Our ISEL partners will use the data to conduct analysis to inform research priority areas.</p>	<p>Launch and deliver the second energy innovation challenge.</p> <p>Refine the North East Energy Catalyst's project pipeline.</p>		Green

<p>Work with industry and public authorities to support cluster development in key energy and net zero sectors needed to level up the region, including offshore wind, EV and battery, and low carbon heat.</p>	<p>Confirmed plans with the Association for Decentralised Energy (ADE), BEIS and the Danish Embassy to co-host the ADE's annual heat network conference in the region in September.</p>	<p>Work with INEE, BEIS and DIT to coordinate regional input into the Green Trade & Investment Expo in October. Continue working with the ADE, BEIS and the Danish Embassy to deliver the heat network conference and cluster growth senior leaders forum in September.</p>		<p>Green</p>
<p>Position the North East as a lead region in energy and net zero, e.g. by leading the national geothermal and mine energy taskforce, and progressing an energy masterplanning approach.</p>	<p>Commissioning a UK Geothermal White Paper, to build on the mine energy white paper. Started scoping an energy masterplanning stakeholder engagement exercise with Durham Energy Institute.</p>	<p>Commence work on the UK Geothermal White Paper.</p>		<p>Green</p>
<p>Tech</p>				
<p>Establish a North East Tech Sector Strategy Group as part of the Business Growth Board.</p>	<p>Recruited and mobilised the Strategy Group.</p>	<p>Complete and publish evidence base.</p>		<p>Green</p>
<p>Work with the strategy group to develop North East tech sector development plan.</p>	<p>Hosted strategy development workshop capturing intelligence to outline sector challenges.</p>	<p>Begin logic chain development.</p>		<p>Green</p>
<p>Establish a tech sector development plan delivery group to deliver the plan.</p>	<p>Establish once strategy developed (i.e. to understand what's required to support delivery).</p>			<p>Amber</p>
<p>Secure resources and funding required to deliver the plan.</p>	<p>Not started.</p>	<p>Not started.</p>		<p>Red</p>

Health and life sciences				
Following the COVID-19 pandemic, we will refresh the North East Health and Life Science strategy governance.	Not started.	Recruit and appoint sector strategy board.	This action has been delayed due to team restructure.	Amber
Modernise and grow pharmaceutical manufacturing by supporting diversification into new and emerging markets, supporting the adoption of industrial digitisation technologies and creating a framework to develop a pipeline of skills.	Made Smarter mobilised to support industrial digitisation. Supply Chain North East and AHSN supporting market development. Sector Skills Lead developing skills framework that aims to address the shortages in appropriately skilled candidates for key roles in the sector in our region to ensure businesses have the skills required for digitisation.	Monitor and report on partner progress.	It now looks likely that a priority pipeline project to establish a Generic Drug manufacturing facility will not progress - this is due to changing priorities following the relaxation of COVID measures.	Green
Increase the number of life science businesses that are born, grow and scale in the region by supporting the formation of university, NHS and corporate spinouts, developing a skills framework to create a skills pipeline that meets the needs of the sector and promoting the region's strengths.	Sector Skills Lead developing skills framework that aims to address shortages in appropriately skilled candidates for key roles in the sector in our region to ensure businesses have the skills they need to commercialise, scale up and grow. Northern Accelerator continuing to support university spinouts. Business case for Biosphere 2 progressing to providing the premises and facilities required by businesses to support their growth within the region.	Monitor and report on partner progress.		Green
Ensure that the right infrastructure, connectivity and investment is in place to grow the sector.	Confidential developments progressing to support logistics and supply chains.	Progress confidential discussions.		Green

<p>Broker access to a range of expert support and services across the health and care sectors through the Innovation Pathways through development of the AHSN's Innovation Pathway Omnia brokerage system – integrating it into the North East Growth Hub to support sector innovations and to help businesses break into the NHS.</p>	<p>AHSN have further developed the Omnia brokerage system.</p>	<p>Reengage with AHSN to explore platform integration.</p>	<p>This action has been delayed due to team restructure.</p>	<p>Amber</p>
<p>Progress ecosystem development by completing the proof-of-concept study for the development of the Life Science Manufacturing and Innovation Zone and consider the findings and recommendations made.</p>	<p>Discovery phase is still ongoing with the project consultants. This includes: identifying existing sites and assets and market research.</p>	<p>Progress workpackage two that will include delivering a range of offer development sessions with stakeholders. Market test the offer to identify where it could be strengthened to attract higher levels of private and public investment.</p>		<p>Green</p>
<p>Advanced manufacturing</p>				
<p>Mobilise and begin delivery of the three year Made Smarter digital adoption in partnership with government and Tees Valley Combined Authority to support regional manufacturers to adopt industrial digitisation technologies.</p>	<p>Funding confirmed for three year programme at £800,000 per annum. Funding will be released in three x 12 month commitments.</p>	<p>Complete procurements for the three year programme for:</p> <ul style="list-style-type: none"> • Grant management • Diagnostic with CRM integration • Digital showcase events • Roadmapping workshops • Staff development <p>Constitute Made Smarter Management board</p> <p>Finalise annual and three year delivery plan for submission to BEIS.</p>		<p>Green</p>

Establish a North East Advanced Manufacturing Strategy Group as part of the Business Growth Board.	Target list of business participants identified.	Finalise recruitment of Strategy Group.		Green
Work with the strategy group to develop a North East advanced manufacturing sector development plan.	Draft evidence base for the advanced manufacturing sector completed.	Finalise and publish evidence base after review by internal LEP working group.		Green
Establish an Advanced Manufacturing Sector development plan delivery group to deliver the plan.	Target list of participants identified.	Finalise recruitment.		Green
Secure resources and funding required to deliver the plan.	Not yet started.	Define resource requirements as strategy develops.		Green
Innovation				
Stimulate new business opportunities through the North East Open Innovation Challenge, with specific delivery focused on the £880,000 North of Tyne project.	Finalisation of all project management arrangements. Challenge North East website launched. Challenge definition workshops organised for July for Decarbonisation (8th), Ageing (19th). Soft launch to partners.	Open Expression of Interest process to SMEs and promote the opportunity.		Green
Work intensively with the nine priority innovation projects to support them into delivery and understand how we can support 11 more to develop their business cases.	Business cases for North East Space Hub / Disruptive Innovation for Space Capability have been progressed.	Support the development of business cases with North East Space Hub, Digital Skills Hub and ORCANE. Work with IDP leads to support business case implementation.	Not all business cases are finalised.	Amber

<p>Work with regional partners to shape the region's response to the innovation component of the Levelling Up White Paper, to capitalise on the region's research and innovation capability and agree an approach to embed innovation into businesses across the region.</p>	<p>Submitted expressions of interest to Sunderland and South Tyneside lead authorities for open innovation challenges and market-making projects.</p>	<p>Support the completion of regional UKSPF commissioning framework.</p>	<p>Although strong regional collaboration is in place the UKSPF landscape in its current form is not conducive to the creation of a coherent, coordinated and transformational business support landscape and it is likely that fragmentation and duplication will occur. This is due to the UKSPF system design; regional collaboration will help to address some of the system issues.</p>	<p>Amber</p>
<p>Increase private sector investment into growing innovation businesses, ensuring innovation is positioned within the successor to the North East Fund, Venture North and Northern Accelerator.</p>	<p>Worked with Innovation Super Network (ISN) to develop a bid to secure funding to develop the access to finance ecosystem - bid progressed to next stage.</p>	<p>Work with ISN on full business case for funding.</p>		<p>Green</p>
<p>Deliver the UK Community Renewal Fund project, 'future markets acceleration project' by October 2022, as awarded by Gateshead and Sunderland local authorities.</p>	<p>Continued delivery of business benefits activity by eight delivery partners. Alpha stage of Innovation Ecosystem Assessment completed. Conclusion of social listening pilot. IDP collaboration 'intranet' live. Data City construction taxonomy underway with Northumbria University. Evaluation progressing.</p>	<p>Delivery of activities for business benefits by eight delivery partners. Innovation ecosystem framework completion. Evaluation.</p>		<p>Green</p>

Work in partnership with local and combined authorities to highlight the investment opportunities from the innovation project pipeline to secure investment from the UK Shared Prosperity Fund.	Innovation pipeline being integrated into the regional project pipeline.	Develop case studies on the priority projects and why they have been selected.		Amber
Support seven Innovation Delivery Partnerships to develop their plans.	Six delivery plans prepared and reported to Innovation Board on 22 July. One still in development.	Hold workshop to align resources to IDP delivery plans.		Green
Publish the Economic Markets Foresight Analysis study and integrate findings into future strategy and funding development.	Internal agreement on publication through North East Evidence Hub.	Phased approach to publication to be presented to the innovation board in September.		Green
Facilitate connections and collaborations between national and regional partners including UKRI/Innovate UK, NP11 and the Innovation SuperNetwork to boost innovation activity in the region.	Discussion with the KTN to develop the agreed pilot innovation canvas project.	Finalise delivery plan.		Amber

Managing funds: Monitoring and assurance pertaining to existing local growth programmes and funds for which LEPs are responsible

Initiative	Progress since last Board meeting	Priority action for next two months	Decisions / issues / discussion points	RAG status
<p>We will continue to manage the following funding streams in line with the North East Assurance Framework. Activity will involve working with partners to develop project business cases and agree investments, then ensure legal and financial compliance and documentation is in place for management and audit purposes. We will continue to monitor delivery and output generation with partners and report to government quarterly.</p>	<p>End of financial year performance returns submitted on time to The Department for Levelling Up Housing and Communities (DLUHC) in May 2022 on GBF and LGF programmes. Press releases prepared with grant recipients to publicise public funding received from the North East LEP and outcomes of our investment e.g. Air View Office scheme, Newcastle and YMCA training infrastructure in North Shields.</p>	<p>To compile, check and submit Quarter 1 programme performance monitoring data to DLUHC. To refresh the North East LEP website with updates on the delivery of funded projects. Contact projects where appropriate to seek outstanding final audits or those failing to submit project monitoring returns.</p>		Green
<p>Local Growth Fund Legacy £9 million planned expenditure 2022/23.</p>	<p>Quarter 1 project monitoring returns and grant claims due by 15 July. Expenditure £20,117 to date, no significant expenditure until after Quarter 1 claims are received and processed. A few project variations approved by the Technical Officer Group but no major changes/risks to delivery to report at this stage.</p>	<p>Undertake quarterly project review meetings and receive Quarter 1 monitoring returns and claims.</p>	<p>Small potential over spend raised on Electric Vehicle Charging infrastructure project (£15,000). Proposed to support this, should no alternative sources of funds be secured, by the partial re-allocation of the £110,000 grant de-commitment from this project in 2021/22.</p>	Green

Getting Building Fund legacy £11 million planned expenditure 2022/23.	Quarter 1 project monitoring returns and grant claims due by 15 July. £139,806.37 paid out, no significant expenditure until after Qtr. 1 claims are received. £3,591,399.03 repaid by Durham County Council following withdrawal of Aykley Heads. Variations approved by Technical Officer Group on Bedlington Town Centre project but no major changes/ risks to delivery to report at this stage.	Undertake quarterly project review meetings and receive Quarter 1 monitoring returns and claims. Arrange press releases for those projects coming to fruition.	The Department for Levelling Up Housing and Communities advise that GBF legacy funds must be fully spent in 22/23. Consequently, budget provision of c£89,000 is required to meet ongoing monitoring and evaluation obligations until 31 March 2024 from the North East LEP, North East Investment Fund matched funding approved against GBF.	Green
Enterprise Zone sites infrastructure programme £25 million.	Ongoing project monitoring - Qtr. 1 project monitoring returns and grant claims due by 15 July. Business case received for next phase of infrastructure investment on Jade Business Park. £2.6 million recommended, report to go to Investment Board on 7 July.	Discussions planned with Gateshead and Newcastle Councils in regards to next phases of infrastructure on Follingsby and Newcastle Airport EZ sites respectively.	Potential for increases in interest rates on borrowing in future years. The extra cost of this is expected to be offset by increasing business rate income in future years. Presentation to September North East LEP Board meeting on the International Advanced Manufacturing Park (IAMP) revised masterplan and cost plan for approval.	Green
North East Investment Fund programme £7 million Commercial Property Investment Fund North East Property Investment Fund schemes.	FW Capital contract monitoring ongoing on North East Property Fund, with Quarter 1 review on 6 July. New Commercial Property Investment Fund programme - award letter issued to successful bidder.	Preparations to formally launch CPIF programme with successful Fund Manager. Loans under the NEIF programme will be actively managed.	One loan under the NEIF programme has a delayed repayment and this is being actively managed.	Green
Enterprise Zone surpluses programme £2 million (Project Acceleration Development budget allocation).	On hold following National LEP Review and introduction of UKSPF. Report to go to Investment Board in the autumn.	Gather evidence internally on need and opportunities to inform a report to the Investment Board in the autumn.		Amber
Project Development Accelerator Fund £1 million planned expenditure 2022/23.	Quarter project monitoring returns and grant claims due by 15 July. Project meetings held and remaining outstanding contracts signed.	Receive Qtr. 1 monitoring returns and claims and meet with project leads to discuss progress. Arrange press releases for those projects coming to fruition.	North East Pharma confirmed their study into a manufacturing project at Dudley was no longer proceeding, citing a change in government policy.	Green

Added value				
Initiative	Progress since last Board meeting	Priority action for next two months	Decisions / issues / discussion points	RAG status
We will work with partners to inform and support delivery of a number of regionally significant projects using the funding available to us.	<p>The Project Development Accelerator Fund is supporting potential large scale Levelling Up Fund and Department for Education Further Education funding bids including North Tyneside Council's Wallsend masterplan and Fish Quay projects, Tyne Coast College's new campus in South Shields and Sunderland University's National Glass Centre proposals and South Tyneside Council's vision to create a Jarrow Energy Park.</p> <p>Flexible support is being offered to approved projects where project delivery challenges have been experienced.</p>			Green
<p>We will lead the coordination of the regional access to finance work to ensure future programmes meet the needs of North East businesses. This includes preparation work to understand the supply and demand issues and reaching regional consensus to inform the development of:</p> <ul style="list-style-type: none"> • The second tranche of the Northern Powerhouse Investment Fund for implementation by the British Business Bank in autumn 2023. • The successor fund to the regional North East Fund Limited for implementation in January 2024. 	Work ongoing with the North East Fund stakeholders on options and best way forward to complement NPIF Phase 2.	Prepare a report that will outline options and recommendations for NPIF 2 to the Investment Board in September 2022.		Green

Highlights from the past two months

Below is a summary of the content we have issued to support projects and initiatives as well as strategic announcements and activity during May and June 2022.

Corporate

North East LEP celebrates determination of region's businesses in annual review

Helen Golightly OBE, chief executive of the North East LEP, praised the rigour, commitment and determination of the region's business community in the North East LEP's annual review. Citing the North East's response to the coronavirus pandemic, and the impact of the UK's departure from the European Union, Helen reinforced how the North East LEP's focused and evidence-driven approach has helped deliver a positive contribution to the regional economy following the impact of COVID-19 and EU Exit. Helen also described how the North East Strategic Economic Plan has continued to provide the region's economic direction of travel, laying the foundations for a stronger, greener and more inclusive economy for the North East. Read Helen's statement [here](#).

ONS regional labour market statistics

The North East LEP issued a response to the ONS regional labour market statistics, issued on 14 June. Helen Golightly, OBE, chief executive of the North East LEP, said: "The data released today paints a slightly more positive picture than the last month with an additional 10,500 people in employment. We have seen improvement in the employment rate across the country and it's encouraging to see the North East moving at a slightly quicker rate than the national average in this period." Read more [here](#). Helen's comment on May's statistics can be found [here](#).

North East LEP awarded gold Better Health at Work Award

The North East LEP has been awarded a gold Better Health at Work Award in recognition of its ongoing work to promote better health in the workplace and support the wellbeing of its employees. The Better Health at Work Award recognises the achievements of employers in addressing health issues within the workplace and supports businesses to improve health and wellbeing at work with the help of a dedicated Health Improvement Specialist. A news release issued to media resulted in coverage in The Journal and North East Times. See an example of the coverage [here](#).

Business and sector growth

High Potential Startups celebration event

On 4 May, Dragons' Den star and founder of Crafter's Companion, Sara Davies MBE, joined 99 North East entrepreneurs at Crowne Plaza Newcastle to celebrate the creation of 99 new jobs and 58 new, high growth businesses in the region. Graduates of the High Potential Startups business accelerator programme – delivered by the North East LEP – the 'North East 90' joined Sara Davies MBE at a celebratory event with members of the wider North East business and startup community. Sara Davies said: "As someone who has started and grown a business from scratch, I know how long and difficult the journey can be. It's been so inspiring to meet the High Potential Startups entrepreneurs and hear how the programme has helped them build their own high growth businesses. Encouraging and nurturing business startups is vital for a growing economy, so it's great to see my home region flying the flag for entrepreneurship. I wish every single business all the success for the future."

Coverage of the event was secured in [Bdaily](#), [business-live.co.uk](#) and Insider Media.

North East communities awarded further funding for development of renewable energy projects

A news release has been issued announcing that four projects in the North East have received funding from the North East and Yorkshire (NEY) Net Zero Hub to help power renewable energy schemes in rural communities. Humsaugh Net Zero CIC; Haltwhistle Partnership; Norham Community Energy Project; and Smart Connected Renewable Community Energy have all been awarded funding from the Rural Community Energy Fund (RCEF), a £10 million national programme which supported rural communities to develop renewable energy projects. Read more [here](#).

Strategy, policy and evidence

[The North East Evidence Hub](#) has been re-launched and brings together up-to-date, robust and insightful data and intelligence about the North East regional economy onto a single digital platform. Evidence is at the heart of everything we do – it informs decision-making, investment decisions, strategy development and delivery of programmes and interventions. Through this platform, we want our stakeholders to have confidence in using, exploring and understanding data and evidence to inform all of these activities

Innovation

Paid promotion of the Innovation Toolkit was restarted in June 2022. During the month, there were:

537 views of the toolkit and **28** referrals to innovation business support providers. These were:

- | | |
|---------------------------|---|
| • InnovateUK | 8 |
| • Innovation SuperNetwork | 7 |
| • Digital Garage | 7 |
| • UKRI | 6 |

Skills, employment, inclusion and progression

Green Skills Bootcamps

The North East LEP is working with training providers to offer a rolling programme of Green Skills Bootcamps. These are part of the Government's Lifetime Skills Guarantee, helping everyone gain skills for life. A social media campaign and blog post are in production, with the aim of raising awareness of the North East bootcamps amongst employers and potential learners. The courses will equip learners with the skills needed for future roles in the green economy.

Funding

Getting Building Fund

AirView Park

A [news release](#) has been issued to media about two new state-of-the-art flexible workspace buildings which are currently being built on the AirView Park development in Woolsington following a £944k investment from the Getting Building Fund. Coverage has been achieved in [business-live.co.uk](#), [Insider Media](#), and [Bdaily](#).

Bessemer Court

A [news release](#) has also been issued to media about the Getting Building Fund investment at Bessemer Court, which is part of the Hownsgill Industrial Park in Consett. Eight new industrial workspace units are being created, that when complete are expected to create up to 100 jobs as new businesses move on to the site. Initial coverage has been achieved in [business-live.co.uk](#) and [Insider Media](#).

Additional support for Getting Building Fund

Swans Energy Park - quote for news release and [social media](#).

Tyne Tunnel Industrial Estate - quote for [news release](#) and social media.

Local Growth Fund

Natural History Society of Northumbria - Field Studies Room

The North East LEP provided support via its social media platforms for the newly opened Field Studies Room in Gosforth Nature Reserve. See an example [here](#).

VCSE Capital Grant programme:

New training hub launched in North Tyneside to equip people with workplace skills

As part of the VCSE Capital Grant programme communications plan, the North East LEP worked in collaboration with North Tyneside YMCA on PR around its new training hub. A news story was published on the North East LEP website ([here](#)) and coverage was secured in [Bdaily](#) ([here](#)).

Young trainees share their experiences of gaining conservation, woodland and land management skills

Also part of the VCSE Capital Grant programme, young people who took part in six-month traineeships in Northumberland shared their experiences of gaining skills in conservation, land management and woodland maintenance, in a blog for the North East LEP website. Read about their experiences [here](#).

Community café opens, creating new jobs in Gateshead

A new community café opened in Gateshead as part of the redevelopment of a former high street bank, creating new jobs and offering training for people who are long-term unemployed. This was part of another VCSE Capital Grant-funded project, The Bank, and the North East LEP issued a news release about the cafe opening. Read more [here](#).

Celebration event marks completion of improvement works at community garden

A celebration event was held to mark the completion of improvement works at a community garden in North Tyneside. The Meadow Well Connected's Community Garden, in North Shields, was awarded £54,612 from the North East LEP's Local Growth Fund VCSE Capital Grant programme to create an outdoor learning space, offer training for local residents, and revitalise areas including its wildlife pond and greenhouses. A news release about the event can be read [here](#).

Priorities for the next two months

1. Plan an implement repositioning campaign for the North East LEP
2. Reprofile and restart proactive marketing for the North East Growth Hub following budget clarity

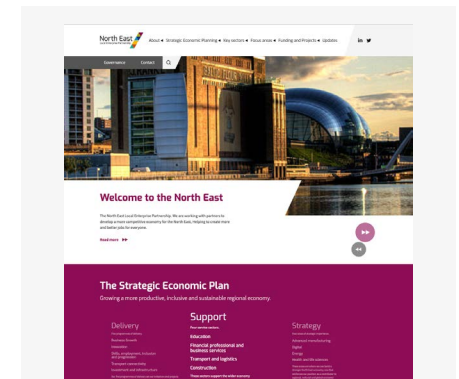
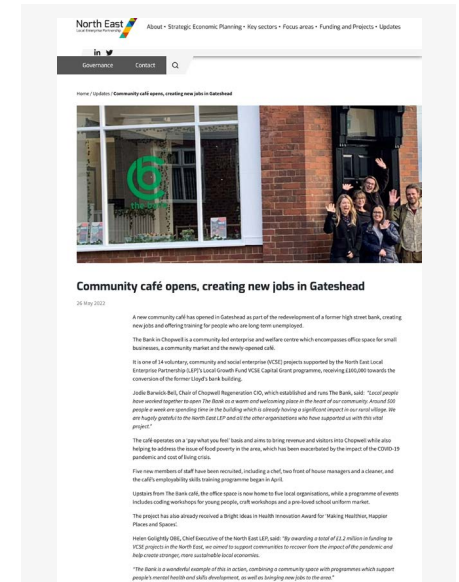
North East LEP website performance summary: 1 May - 30 June 2022

Audience		
Visitors	6,765	(-6.36%)
Total page views	37,765	(-8.98%)
Average session duration	1.37	(-1.58%)



Traffic sources	
Organic	3,859
Direct	2,025
Referral	434
Social	352
Other	0
Email	324

Top five news pages	Views
Community café opens, creating new jobs in Gateshead	323
North East LEP comment on ONS labour market statistics	305
The importance of good school governance	284
North East communities awarded further funding for development of renewable energy projects	198
Call for North Tyne businesses to tackle region's key problems through innovation challenge	190

Top five pages	Views
Home	6,754
About us	1,360
Strategic Economic Plan	1,226
Senior management team	1,054
Funding	909




Social media

	Total followers	Impressions
 Twitter	13,132 (+0.5%)	44,754
 LinkedIn	10,357 (+2.5%)	38,646

Top performing LEPs on Twitter			
1. North East LEP	2. Leeds LEP	3. Liverpool LEP	4. Black Country LEP
13,132	11,668	10,377	9,463

Best performing organic posts: Twitter



 @northeastlep
Mon 5/30/2022 10:02 am BST

We're proud to have been presented with a gold Better Health at Work Award in recognition of our ongoing work to promote better [#health](#) in the...



Impressions	Potential Reach	Engagements	Engagement rate
3,657	20,527	32	0.9%



 @northeastlep
Thu 6/23/2022 1:12 pm BST

Two new state-of-the-art flexible workspace buildings are currently being built at [@AirviewPark](#) in Woolsington thanks to a £944...



Impressions	Potential Reach	Engagements	Engagement rate
2,399	89,205	53	2.2%



 @northeastlep
Mon 5/30/2022 1:24 pm BST

We asked employers what they look for when recruiting an apprentice. Watch this short video and find out more on the [#NorthEastAmbition](#) website. bit.ly/3PJQor5. [#moreandbetterjobs](#)

Impressions	Potential Reach	Engagements	Engagement rate
1,848	14,898	27	1.5%

Social media

Best performing organic posts: Twitter



@northeastlep

Thu 5/26/2022 8:57 am BST

A new community café has opened in Gateshead as part of the redevelopment of a former high street bank, creating new jobs and offering training for people who are long-term unemployed. Find out more:

northeastlep.co.uk/updates/commun

...



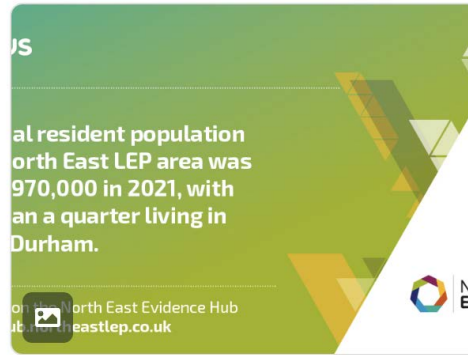
Impressions	Potential Reach	Engagements	Engagement rate
1,764	19,600	94	5.3%



@northeastlep

Wed 6/29/2022 12:57 pm BST


The first results from the @ONS #Census2021 show that the usual resident population of the North East LEP area was about 1,970,000 in...



Impressions	Potential Reach	Engagements	Engagement rate
1,403	14,617	25	1.8%

Best performing organic posts: LinkedIn

in₁

North East  North East Local Enterprise Partn...
Fri 6/17/2022 11:34 am BST


One of the flagship buildings on the Newcastle Helix development, The Catalyst has now reached full capacity two years after opening it...

The Catalyst innovation centre reaches f...



Impressions	Engagement	Engagement rate	Clicks
4,663	206	4.4%	93

in₂

North East  North East Local Enterprise Partn...
Thu 5/26/2022 8:57 am BST


A new community café has opened in Gateshead as part of the redevelopment of a former high street bank, creating new jobs and offering...

Community café opens, creating new job...



Impressions	Engagement	Engagement rate	Clicks
3,137	156	5%	88

in₃

North East  North East Local Enterprise Partn...
Tue 6/28/2022 10:58 am BST

Four projects in the North East have received funding from the North East and Yorkshire Net Zero Hub to help power renewable energy...



Impressions	Engagement	Engagement rate	Clicks
1,204	62	5.1%	34

Economic Round Up

July 2022



Economic Outlook

CPI inflation [rose by 9.1%](#) in May, exceeding previous expectations of an 8.5% peak. This is [the highest rate since 1982](#). Revised predictions now show an expected 11% rise in the CPI by Autumn 2022. Forecasts also show the second largest fall in total real household disposable incomes since 1964. Interest rates were increased to 1.25% with an expectation of further increases throughout the year.



Labour Market

An additional [10 500 people](#) moved into employment in the latest quarter in the North East region, which represents a more encouraging labour market position. Firms continue to report recruitment issues with 26% of North East SMEs surveyed in the [Worklife Spring 2022](#) Small Business Monitor saying they are under-resourced. Positive investment stories are causing some concern amongst established businesses around movements and staff and this is leading to salary inflation in key parts of the economy.



Internationalisation
















The North East LEP saw the highest level of job creation from FDI in 2021-22 outside of London (5,495 jobs). Goods exports from the North East region increased 4% Q1 2022, the second quarterly increase in a row. Service exports from the North East region declined 17% between 2019 and 2020. [ONS reporting](#) shows that nationally the percentage of businesses importing fell from 49% in March 2022 to 40% in May 2022 and from 48% to 39% for exporting.



Business Activity

Rising costs continue to be a concern for North East businesses, with the manufacturing sector in particular facing significant challenges with reported cost increases of 15%. Supply chain challenges are leading to requests for price rises from contractors and increasing lead times for projects. Large regional investments are still coming through, with a particular focus on Net Zero, including renewable energy generation and batteries.

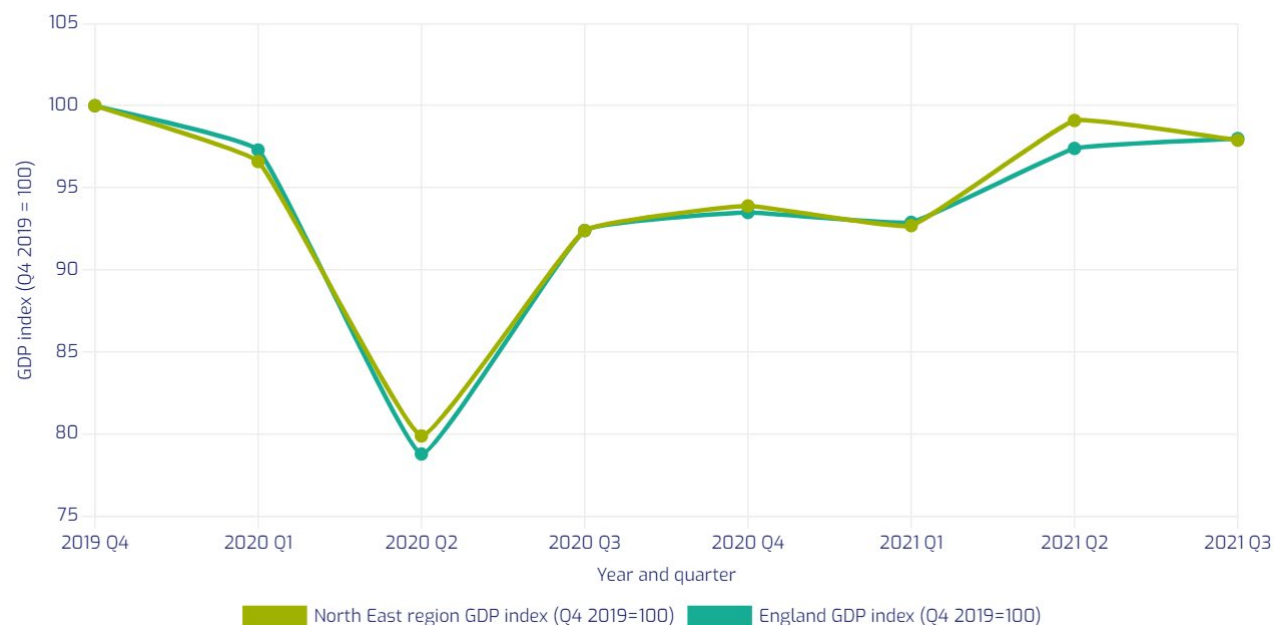
North East economic data summary

	Latest data	Recent change	Comparison with latest national data	Recent change compared with national change
Working age employment rate	70.4% (Jan 21- Dec 21)	 Decrease by 0.7 ppts (since Jan 19-Dec 19)	 Lower 75.2% (England excl. London)	 Smaller ppt decrease than England excl. London (-1.1ppts)
Working age economic inactivity rate	25.2% (Jan 21-Dec 21)	 Increase by 0.7 ppts (since Jan 19-Dec 19)	 Higher 21.4% (England excl. London)	 Smaller ppt increase than England excl. London (0.8 ppts)
Claimant count rate (% of 16 to 64 population)	4.2% (May 22)	 Decrease by 0.2 ppts (since Mar 20)	 Higher 3.7% (England excl. London)	 Decrease in contrast to England excl. London increase (0.7 ppts)
Regional GDP index (Q4 2019 = 100)	97.9 (Q3 2021) (North East region)	 Decrease by 1.2% (since Q2 2021)	 Lower 98.0 (England)	 England's rate has increased (+0.6%)
Regional exports value	£7,102 ph (Q2 21-Q1 22) (North East region)	 Decrease by 7.1% (Q1 2022 compared to 2019 4Q average)	 Higher £6,803 ph (England excl. London)	 Larger % decrease than England excl. London (5.2%)

ppt: percentage point
ph: per head

Key trends: regional GDP

GDP index (Q4 2019=100), North East region, England



The latest North East regional GDP index (for the third quarter of 2021) :

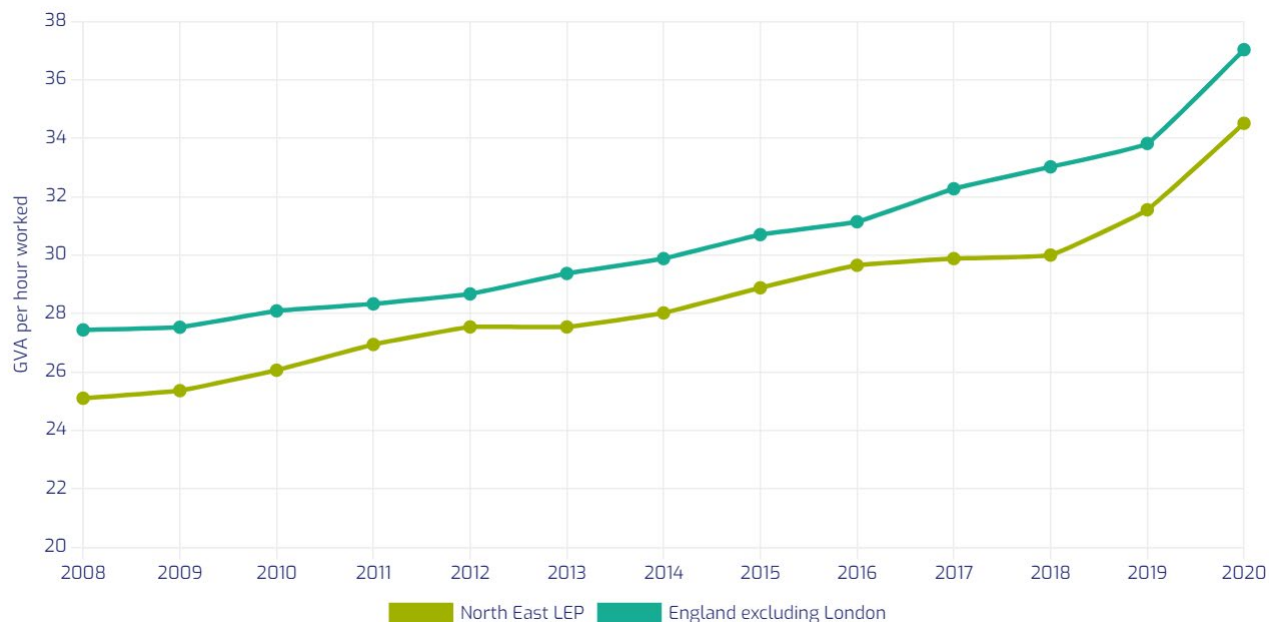
- ↓ GDP was at a level 2.1% lower than pre-Covid (Q4 2019) (England's level was 2.0% lower)
- ↑ GDP was 23% higher than in Q2 of 2020, when the impacts of Covid were greatest (England's was 24% higher)
- ↓ GDP was 1.2% lower than in the previous quarter (England's was 0.6% higher)

Progress since Covid:

- 👎 In Q3 of 2021, eight of the nine English regions still had GDP below pre-Covid levels. The exception was London.
- 👎 More up to date national data shows that UK GDP returned to pre-Covid levels in Oct 2021 but that the latest (Apr 2022) level was the lowest of 2022 so far
- 👎 In the North East, in Q3 of 2021, GDP levels in the extraction sector, gas and electricity, creative industries, construction and education were all more than 10% below pre-Covid levels
- 👍 The GDP of the information and communication sector in the North East was 40% higher in Q3 of 2021 than in Q4 of 2019.

Key trends: GVA per hour worked

GVA per hour worked, 2008 onwards, North East LEP area, England excluding London



Productivity: latest sub-regional data (2020)

£34.40 ph North East LEP area GVA per hour worked was 93% of the England excluding London rate (£37.00).



This rate was about 10% higher than in 2019, a similar increase to England excluding London.

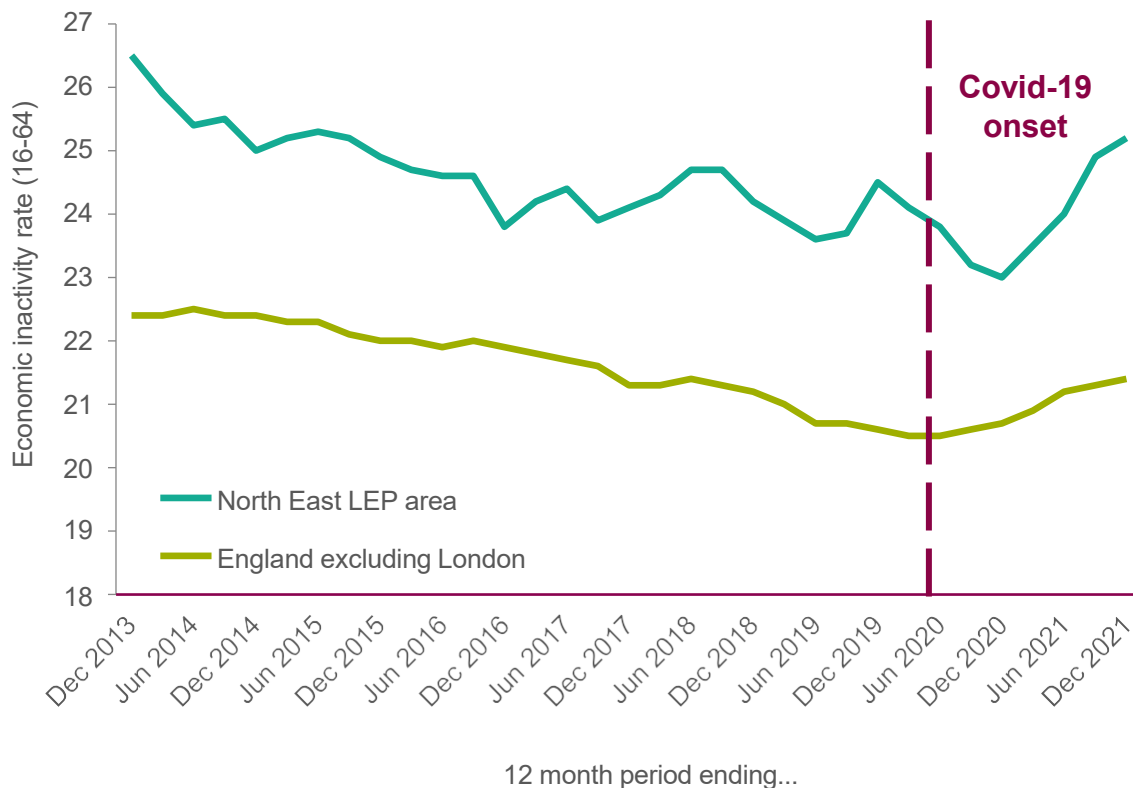


North East hours worked and total GVA both decreased in the year to 2020, by 12% and 3% respectively. Productivity increased due to the GVA decrease being smaller



The productivity gap between the North East and England excluding London was 9% higher in 2020 than in 2014.

Key trends: economic inactivity



The latest North East LEP area data (for the 12 month period Jan 21 – Dec 21):

25.2% of working age people (aged 16 to 64) were economically inactive (England excl. London 21.4%)



Increase has been the highest among females aged 20 to 24. Inactivity due to looking after family or home particularly increased over the year

North East LEP area economic inactivity amongst 18-50 year olds trends:



Rate decreased during early Covid period but was up 1.9 percentage points since Jan 20-Dec 20 (England excl. London up 0.6 percentage points)



The previous long-term trend had been a decrease, by 2.9 percentage points since 2014 (England excl. London down 1.7 percentage points)

North East LEP area economic inactivity amongst 50-64 year olds trends:



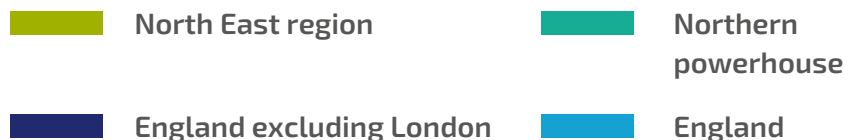
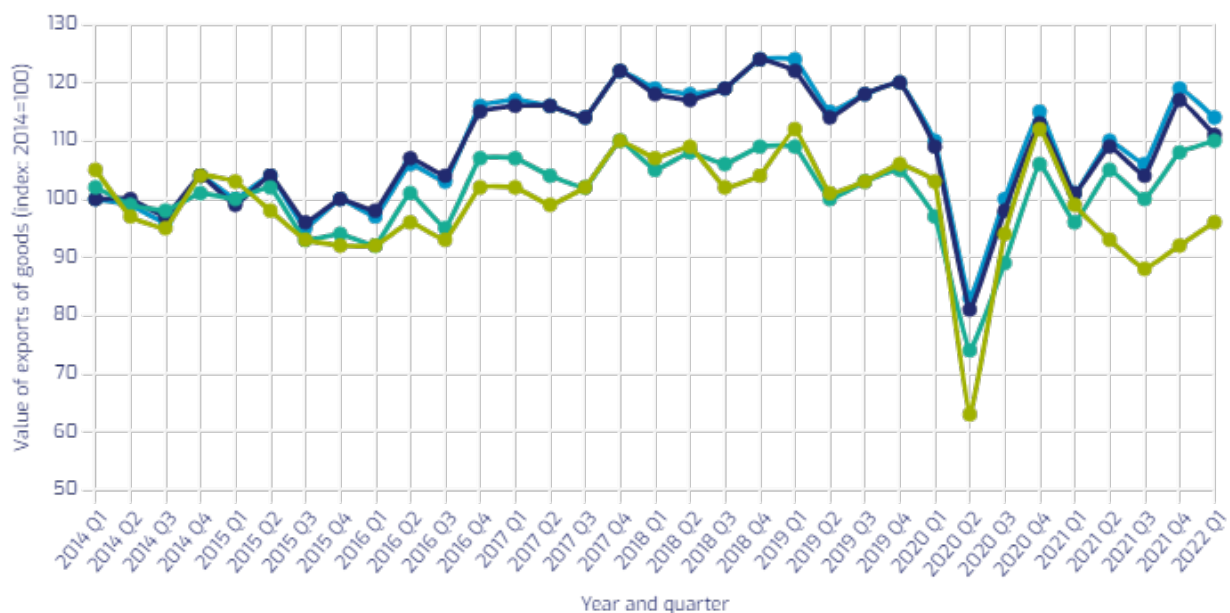
The upward trend in older workers economic inactivity continued as we have emerged out of Covid controls. The rate increased 4.0 percentage points since the Oct 18-Sep 19 period



The previous trend had been a sharp decrease, by 7.1 percentage points between 2014 and Oct 18-Sep 19 (England excl. London down 3.7 percentage points)

Key trends: regional goods exports

Regional exports index North East region and comparators (2014 = 100)



North East goods export totals (up to Q1 2022):



The total exports from the North East region in Q1 2022 were £2,987 million. This was an increase from the previous quarter of 4%, the second quarterly increase in a row



Four English regions saw an increase in the value of their goods exports this quarter. The percentage change for the North East was the second largest amongst the English regions.



The North East was the one of only two regions to have a lower value of goods exported in Q1 2022 than in Q1 2021.

Latest commodity exports trends (up to Q1 2022):



Road vehicles exports continued to recover from Covid related disruption in the last quarter, increasing by 11%.



Pharma exports remained static in Q1 2022



Both commodity groups were down on the same quarter last year (-9% and 10% respectively)

Latest market trends (up to Q1 2022):



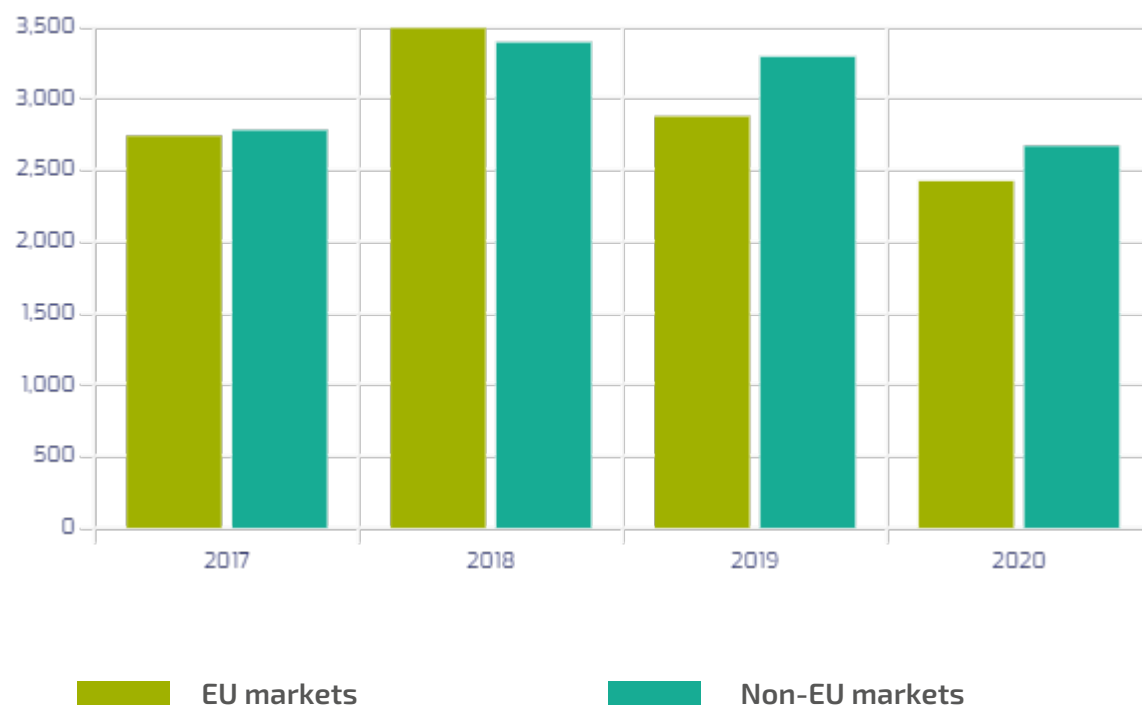
Exports to the EU increased by 7% in Q1 2022 compared to the previous quarter. Exports to Non-EU markets decreased by 1%.



Exports to Russia saw the largest quarterly decline (-47%) amongst the North East's 20 largest markets due to the Russian invasion of Ukraine.

Key trends: regional service exports

Total service exports North East, £Millions, (2017-2020)



North East service export totals (up to 2020):



The total value of service exports from the North East region in 2020 was £5.1 billion. This was the smallest total of the nine English regions. The North East also had lower exports per head than the Northern Powerhouse.



The latest regional service exports data was heavily impacted by the Covid-19 pandemic. Service exports from the North East were £1.1 billion lower in 2020 than in 2019, a decline of 17%. This was the third largest % decline in England.



Total service exports from the North East were 8% lower in 2020 than in 2017, compared to 2% higher in the Northern Powerhouse in the same year.

Latest commodity exports trends (up to 2020):



Financial and insurance activities and Manufacturing both accounted for 29% of North East service exports in 2020.



Manufacturing service exports from the North East increased by £146 million between 2019 and 2020, continuing a trend of growth. Financial and insurance activities saw a significant -£651 million decrease between 2019 and 2020.

Latest market trends (up to 2020):



Slightly more of the North East's service exports were to Non-EU markets than EU markets in 2020, and the United States was the North East's largest single market.



Both Non-EU and EU markets saw declines of a similar size in 2020 (19% and 16% respectively).

Foreign Direct Investment

Jobs



The North East LEP saw the highest level of job creation from FDI in 2021-22 outside of London. (5,495 jobs)

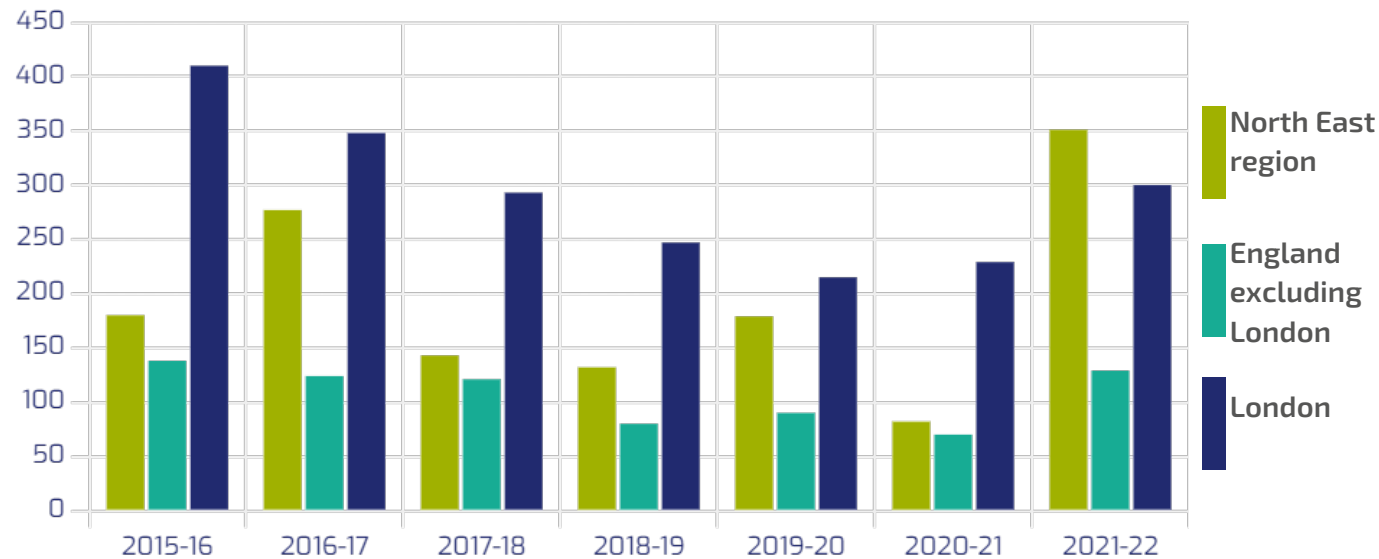


The North East region saw a larger increase in the number of new jobs from FDI than England excluding London, and had a higher rate of new jobs per working age adult than London in 2021-22.

26%

of new jobs created from FDI nationally were in software and computer services, utilities, infrastructure and transportation and Wholesale were the next largest sources of jobs.

New jobs from foreign direct investment per 100 000 working age adults



Foreign Direct Investment Cont.

Projects

59

new FDI projects were attracted by the North East LEP area in 2021 – 2022, which is the second highest number in England outside of London.



The North East region saw an increase in the number of new projects per head from 2020-21 while England excluding London remained static.

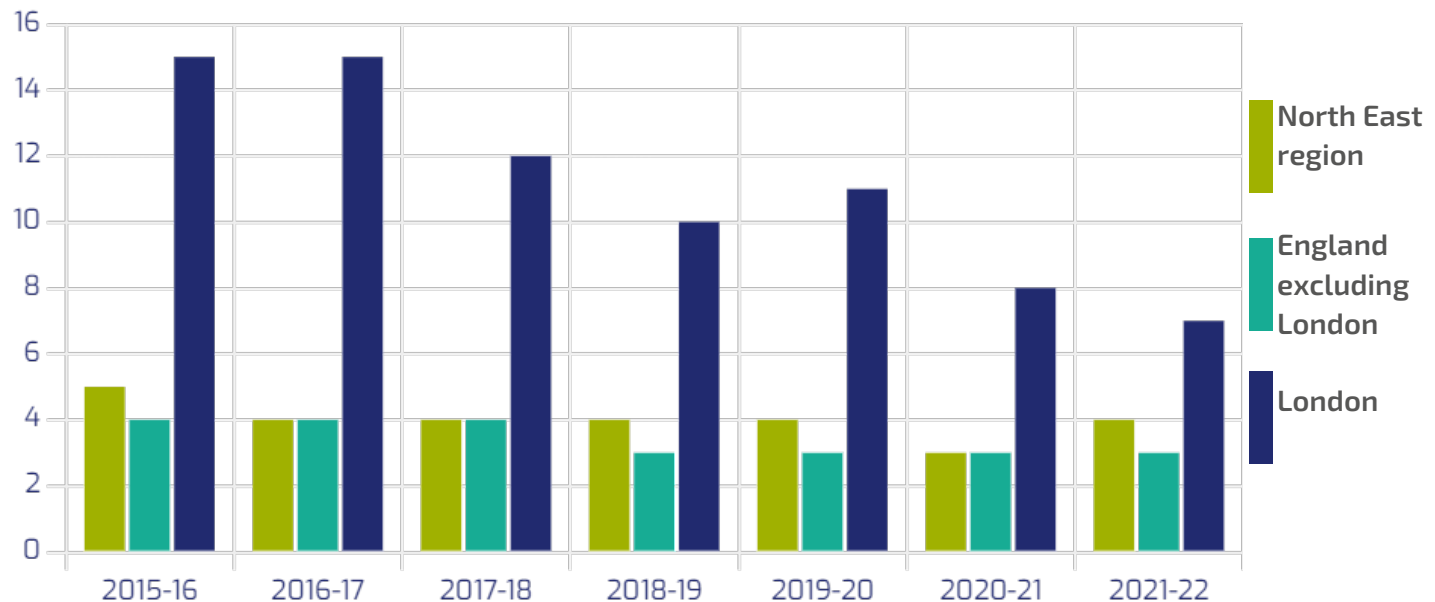
63%

of new projects in the last three years in the North East region were from Non-EU markets.

37%

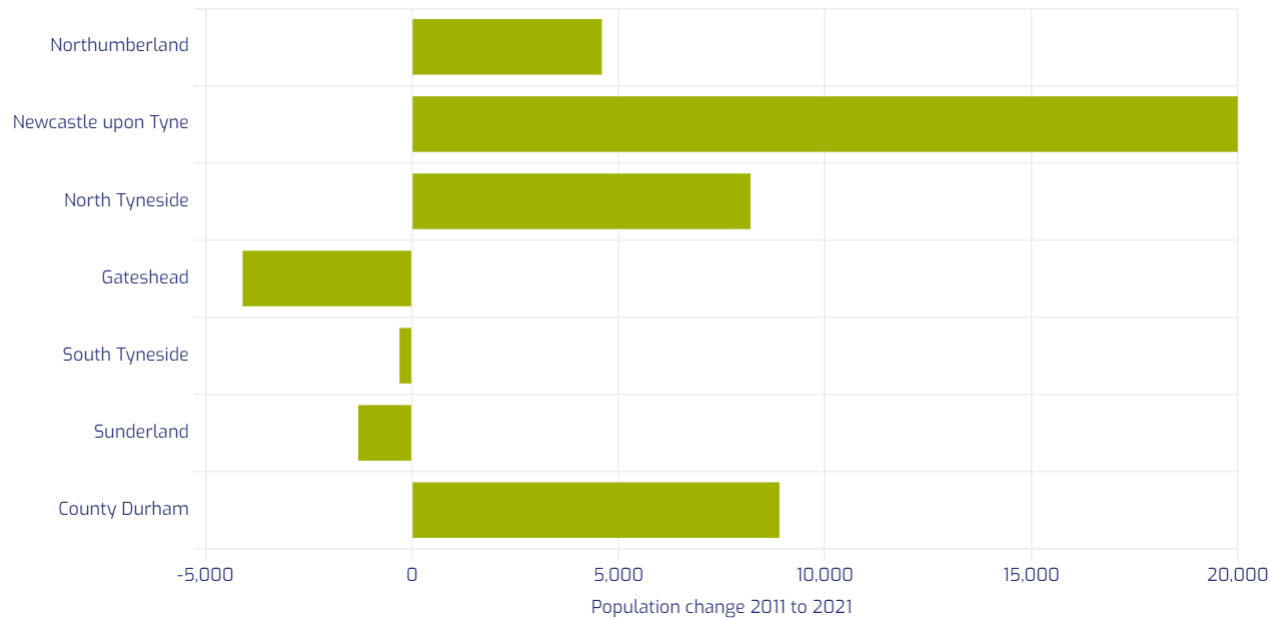
of new projects were from EU markets.

Foreign direct investment projects per 100 000 working age adults



Census 2021 Population Data

North East population change 2011 to 2021 by local authority area



Census 2021 Population Data

1.97 million North East LEP area population on Census day (21st March 2021). Up by 35,800 on 2011 Census.



A 1.9% increase, smaller than England excl. London (+6.4%). Largest increase in Newcastle, decreases in three LA areas.

34.6% Aged 55+ in the North East (England excl. London 32.5%)

33,700 Lower than the mid-2020 estimate. Census population especially smaller among 20-29 year olds.



Previous population estimates likely to be revised downwards, with revisions to weighted survey data (e.g. labour market)

Intelligence from Partners

Recruitment



Demand for office spaces and workers is high but there is a significant challenge in meeting this demand.



Employers are identifying concerns about skill levels of people in the region, and there are reports of businesses successfully recruiting employees from outside of the region



Employers are looking at alternative recruitment processes and collaborating with Government departments.



Employment programmes are showing positive results, with fewer people claiming benefits after joining and completing these programmes.

Cost of Living



National Energy Action receiving in excess of 200 calls a month compared to approximately 40-60 calls per month before the energy hike.

40%

decrease in bookings for cultural businesses, which is reportedly due to cost of living making consumers price sensitive. Expected cost increases in October have been identified as a specific point where consumers will begin to struggle to afford non-essential expenditure.



The most common reasons for an increase in the cost of living are due to food shopping, energy bills and fuel costs.



Household incomes are also being impacted by a weaker pound, which is attributed to the impacts of Brexit.

Business Confidence



Businesses are reported to be focusing on survival and the cost of doing business is affecting confidence.



Small Business Index report shows North East business confidence is below national average but is becoming more positive.



SMEs are struggling to compete with out of region businesses.



Reports that companies are willing to walk away from projects and face challenge in court rather than continue to deliver at a loss.

Inflation

80%

of inflation estimated by the Bank of England is predicted to be external, due to factors such as energy prices, and 20% domestically generated. Concerns have been raised around domestically generated inflation becoming embedded with wage increases.

11%

rise in inflation expected in Autumn, when the next energy price cap increase takes place.



Real wages are not growing in line with inflation, this is particularly affecting public sector workers. There is an expectation of increasing industrial activity



GDP Growth is expected to be weakened due to the effects of inflation

Challenges

Manufacturing and Construction



The [S&P Global/CIPS Flash UK](#) PMI Composite Output Index showed the fastest rise in operating expenses since the index began in 1998.

18.6%

annual increase in UK manufacturer input prices in April, is leading to [significant concerns](#) about future price increases and delayed impacts from events such as the Russia-Ukraine invasion.



The construction sector reported [the largest percentage for concerns](#) around input price inflation at 48%. They also reported the highest percentage of businesses facing procurement challenges at 33%.

48.4

[NatWest North East Business Activity](#) score recorded in June, with a figure below 50 signalling a contraction in the economy. Declines in the manufacturing and construction sectors output are attributed to input price increases and supply chain issues.



Manufacturing and construction sectors are already facing significant challenges with fears that they could worsen as delayed economic impacts start to affect the sectors. These challenges, when combined with supply chain issues and recruitment difficulties, are compounding pressure on the sectors and leading to issues in project timelines and contract agreements.

Rising Costs

40%

increase in the energy price cap predicted for October.



[Forecasts](#) suggest a record decline in real household disposable income, with regular pay in real terms falling by -1.9% in March 2022. 2022 is expected to show the largest decline since records began in 1964.

27%

of [household income](#) for those in the bottom 20% of the income distribution predicted to be accounted for by fuel costs by October.

Retail and Hospitality



Accommodation and food service activities reported the [largest percentage of businesses concerned](#) about energy prices at 47%. They also reported the largest percentage of businesses experiencing worker shortages at 35%.

Confidence



The number of British people citing cost of living as a big concern has risen from 32% to 41%, according to the [Ipsos Issues Index](#). The highest level of concern recorded since the early 1980s.



Business expectations sunk to their [lowest level](#) in two years.

21 July 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 May.

2.0 Chair key meetings and discussions

2.1 Since the last Board meeting on the 19 May 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;
- North of Tyne Combined Authority, Annual General Meeting;
- North of Tyne Combined Authority, Partnership Group and the Consultation Meeting for the UK Shared Prosperity Fund;
- Working dinner with Lockheed Martin;
- Gateshead Council showcase event for the Conference Centre;
- Meeting of the North East LEP Chairs;
- Meeting of NP11.

3.0 Chief Executives key meetings and discussions

3.1 Since the last Board meeting, outside of the internal 'business as usual' and meetings that have focused on the reorganisation of the North East LEP executive team, the Chief Executive has been involved in a number of meetings that continue to move the regional economic growth agenda forward. These include:

- Meetings with the LEP Network;
- Meetings with government officials;
- Meetings with NP11;
- Devolution and levelling up event with Mayor Jamie Driscoll;
- Net Zero North East Board;
- Meeting with the GB Bank;
- North East Fund Ltd Board.

4.0 Recommendation

4.1 The Board is recommended to note the report.