

THIS IS NOT A PUBLIC MEETING

North East Local Enterprise Partnership Board



Thursday 2 December

17.00 – 19.00

AGENDA

Item 5 is confidential as it contains commercial information relating to the financial or business affairs of a particular person or organisation and it 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 30 September 2021** (5.05pm)
Board will be asked to agree the Minutes.
4. **Annual Delivery Plan progress update** – paper attached (5.10pm)
Helen Golightly to present to the Board.
5. **Funding decisions and update** - confidential paper attached (5.20pm)
Paul Woods to present to the Board.
6. **Innovation update** – presentation attached (5.35pm)
Alan Welby to present to the Board.
7. **Digital exclusion update** – paper attached and presentation to be given (6.00pm)
Michelle Rainbow to present to the Board.
8. **Post Budget update** – paper attached (6.20pm)
Richard Baker to present to the Board.
9. **Chair and Chief Executive update** - paper attached (6.40pm)
Lucy Winskell and Helen Golightly to update the Board.
10. **Any Other Business** (6.50pm)
11. **Date and time of next meeting - Thursday 27 January from 5 - 7pm**

2 December 2021

Item 4: Annual Delivery Plan Progress

1.0 Purpose of Report

1.1 This report provides a summary of the progress against the Annual Delivery Plan 2021/22, with further details available in *Appendix 1*.

1.2 Summary of current positions of Annual Delivery Plan deliverables:

Annual Delivery Plan Progress - summary table

Programme	Number of key deliverables	Key deliverables by RAG status				Key deliverables by progress status			
		G	A	R	N/A	Complete	In Progress	Overdue	Not Started
Business and sector growth	59	48	9	2	0	6	47	0	6
Innovation	17	12	5	0	0	1	16	0	0
Skills, employment, inclusion and progression	25	20	2	0	3	1	18	0	6
Investment and infrastructure	18	15	3	0	0	0	18	0	0
Transport connectivity	23	19	4	0	0	3	20	0	0
Policy, strategy, evidence and analysis	14	14	0	0	0	1	13	0	0
	156	128	23	2	3	12	132	0	12

2.0 Highlights and points to note since the last meeting

Business and Sector Growth

- 2021/22 is shaping up to be a bumper year for inward investment. Many high-profile projects announced in a variety of sectors, including: Envision/Nissan; Just Eat; Smulders, Xplor, JDR Cables; Equinor/SEE; Amazon; Monstarlab.
- Scaleup Institute annual report saw the North East jump up the league table and were found to be one of two areas to increase the density of scaleups (most areas scaleup density has declined)
- Two ministerial events held on North East's low carbon heat opportunities and North East DIT Heat networks High Potential Opportunity launched. All of which strengthens our role in leading the growth of this emerging market.
- North East Key messages and assets showcased during COP26, over 1,400 views of the video in first week of launch.
- Inclusive growth project has commenced with an aim of making the Growth Hub and Business Support Ecosystem as inclusive as possible.
- Peer Networks and Workshops are now in delivery to support businesses to develop Net Zero plans.

Innovation

- We were awarded a total of £320,618 from the Community Renewal Fund to deliver a programme of support in Gateshead and Sunderland. We will deliver this programme with our Innovation delivery partners (IDP) partners and RTC North.
- The 51 expressions of interest for regional innovation projects have been evaluated by the LEP team and supplemented by face-to-face meetings. Projects have been prioritised and now will be evaluated by a sub panel of the Innovation Board before endorsement by the Innovation and main LEP boards.
- These projects formed the basis of the innovation component of the North East LEP CSR submission.
- The Challenge North Tyne proposal has finalised the business case and the application should be assessed by the North of Tyne Combined Authority Investment panel in December

Skills, employment, inclusion and progression

- The North East LEP has secured the opportunity to host the launch of National Careers Week (NCW) for the UK next year. It will be a great opportunity for the region, as the first LEP to host and the first time that the NCW has been held outside London.
- The final evaluation of the primary pilot was published. Despite challenging conditions to run a pilot the evaluation found that over the course of the Pilot, CRL has become embedded within the general curriculum with 88% of Careers Leaders saying that they are spending more time on careers compared to before starting on the Pilot.
- Additionally, 92% of Careers Leaders said they found the framework of Benchmarks to be very useful or useful.
- The skills team secured the buy-in from 45 individuals from across early adopters of T-levels to engage in effective employer training to ensure consistency of messaging for promotion of T-level in region
- The North East LEP area's work on careers in Further Education was showcased in the Career and Enterprise Company's national FE connect edition.

Transport

- Work continues to lobby for improvements in the East Coast Main Line. The rail industry consultation proposals for a major timetable change on ECML from May 2022 has again highlighted the need for line capacity increases between Northallerton and Newcastle. On Thursday 18 November 2021 the UK government's long-awaited 'Integrated Rail Plan' (IRP) for the north and midlands was published. The outcome for the region is that the North East will no longer be fully connected to the UK's high speed rail network (neither HS2 nor NPR) and there is no committed rail investment in the plan for the area.
- In collaboration with bus operators, the seven local highway authorities and Nexus, Transport North East (TNE) developed a Bus Service Improvement Plan (BSIP), published on the TNE and partner website's and submitted to the Department of Transport before the deadline of 31 October 2021. This plan aims to improve bus services dramatically, growing bus demand to support a green recovery, with the support of funding available through government's National Bus Strategy.

Investment and Infrastructure

- The Project Accelerator Fund second call is now open, with applications to be submitted to the LEP by 16 December 2021.
- Procurement of the Commercial Property Investment Fund (CPIF) Fund Manager progresses with tender submissions due by 3 December 2021 for evaluation
- Two major investments have been announced on NEP1 (JDR Cables) and IAMP (Envision)
- Amazon development on Follingsby Enterprise Zone in Gateshead is now operational, with 1,300 jobs created

Strategy, Policy and Analysis

- 'Our Economy' 2021 was published on 7th October, accompanied by an impact analysis from Covid 19 and EU Exit.
- The team hosted a successful online engagement event to mark the publication of Our Economy 2021
- The BEIS sponsored case study projecting the economic impact of the transition to Net Zero produced by PWC, which we supported, was published by Government on 19 October alongside the Net Zero strategy
<https://www.gov.uk/government/publications/net-zero-in-the-north-east-of-england-regional-transition-impacts>
- The first meeting of a new Northern Evidence Network has been held with NP11 LEP's and TFN, which will work together on evidence development and to support the update of NPIER
- We submitted a response to the Migration Advisory Committee's call for evidence on the impact of the end of free movement on the adult social care workforce, following consultation with the EU Exit Group and the North East Association of Directors of Adult Social Services

Communications

- There continues to be growth in the number of followers across the LEP's social media (1.1% on Twitter and 2.6% on LinkedIn). The North East LEP remains the most followed LEP in the country on Twitter.
- The story with the most impressions on Twitter related to the Skills Advisory Panel report on digital exclusion. On LinkedIn the post with the most engagement related to the Planet Mark Zero Carbon Tour Bus visit to the region on 22 October 2021.

3.0 Recommendations

- 3.1 The Board is recommended to note the contents of the report and *Appendix 1*.

Appendix – Annual Delivery Plan – progress update



Annual Delivery Plan – progress update



Business and sector growth | Lead: Colin Bell

Vision (in SEP)

To be a growth orientated, dynamic and productive environment where businesses invest, grow and thrive. At a time of change, we want business leaders to be inspired and supported to achieve their goals through strengthened leadership, innovation and trade, resulting in:

- An increase to the density of scaleup businesses in the North East by 50% from 2014 to 2024. These businesses will deliver 6,000 new jobs into the North East economy
- The attraction of new businesses who invest in the North East and create 4,000 new job per year between 2014 and 2024

We want more businesses to actively seek, and find with ease, the support and finance they need to grow and to strengthen the visibility of opportunities for investment in our economy.

Highlights in current period:

- 21/22 is shaping up to be a bumper year for inward investment. Many high profile projects announced in a variety of sectors, including: Envision/Nissan; Just Eat; Smulders, Xplor, JDR Cables; Equinor/SEE; Amazon; Monstarlab.
- Scaleup Institute annual report saw the North East jump up the league table and were found to be one of two areas to increase the density of scaleups (most areas scaleup density has declined)
- Two ministerial events held on North East's low carbon heat opportunities and North East DIT Heat networks High Potential Opportunity launched. All of which strengthens our role in leading the growth of this emerging market.
- North East Key messages and assets showcased during COP26, over 1400 views of the video in first week of launch.
- Inclusive growth project commenced with an aim of making the Growth Hub and Business Support Ecosystem as inclusive as possible.
- Peer Networks and Workshops in delivery to support businesses to develop Net Zero plans.

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
Raise levels of business growth 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.	9,009 light assists completed to date (-9% against annual target). Referrals dipped during July, August and September, which was due to seasonal trends and an issue with the supplier delivering the campaign. We are starting to see the recovery of this deficit and do not anticipate an issue by the year end.	Jen Robson	A	In Progress
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 -21.9million additional GVA	We are a little behind for predicted quarter two volume stats, but this is due to the usual lull during holiday season and recruitment of Peer Networks cohorts. We are however ahead on impact stats (jobs and GVA) and Customer Satisfaction remains high at 99% which indicates what we are delivering is having the desired effect. We have achieved: - 487 Medium Intensity Interventions (53.2% of BEIS annual target) (42.5% of internal annual target) - 299 High Intensity Interventions (55.37% of BEIS annual target) (43.5% of internal annual target) - 387 additional jobs (51.6% of annual target) of which 192 are better jobs (39.2% of annual target) - £48m of additional forecast GVA created (219.23% of annual target)	Siobhan Finnon	G	In Progress
Introduce a triage team to service inbound enquiries and carryout outbound lead generation and intelligence gathering activities.	Triage team in place; actively managing inbound enquiries and making outbound lead generation and intelligence led calls.	Helen Lee	G	Complete
Integrate the sector teams and sector delivery plans with the North East Growth Hub.	Each Growth Hub Connector has been assigned a sectoral responsibility (priority sectors + those most greatly affected by Covid), they will work closely with their sector leads to support business engagement and the delivery of sector development plans.	Helen Lee	G	In Progress

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
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.	In partnership with TVCA, a new segmentation, diagnostic and brokerage model designed to modernise business support and move to a more transformative approach has been designed, agreed by the Business Growth Board and currently in procurement. Related project in development to consider Inclusive Growth. Pilot project in development which will feed into the APPG for Inclusive Growth.	Colin Bell	G	In Progress
Ensure the support of external business support and finance matches the needs of businesses and the economy				
Work with government and regional partners to support the development of, and transition to, a new business support and sector development landscape.	We are working with the Business Support Provider Network to capture learning from the delivery of ESIF and to use this learning to inform the creation of new funding instruments (e.g Shared Prosperity Fund).	Colin Bell	A	In Progress
Continue to lead the North East Growth Hub Cluster and work closely with government to support the development of the national Growth Hub network.	No change: Key collaborations with TVCA inc: Made Smarter, EU Exit/NetZero workshops and new approach to segmentation, diagnosis and brokerage.	Colin Bell	G	In Progress
Deliver 26 government funded Peer Networks to support approximately 280 businesses to improve their productivity performance.	Demand for NetZero focused Peer Network has been particularly high. A framework of 8 providers has recently been procured to support delivery.	Emily Carlson	G	In Progress
Expand the Growth Hubs Mentoring for Growth Programme with the aim of supporting 100 businesses to unlock their growth potential.	Commitment from mentors to support expanded mentoring offer to support high growth, growth and early-stage mentees. Cross-company mentoring in early stage development,	Helen Lee	G	In Progress
Work with sector teams to ensure that the business support ecosystem meets sector specific firm level needs.	Work is being undertaken across each sector to understand the specific challenges, barriers and opportunities that businesses are facing at different states of development. The intelligence gathered will support the development of policy and strategy.	Colin Bell	G	In Progress
Deliver 11 Local Growth Fund Cluster Development Fund projects.	Work continues, no change since last report	Colin Bell	G	In Progress
Improve the region's economic resilience				
Develop Peer Networks in the sectors most effected by COVID-19 (hospitality, retail, tourism) to support businesses to recover	Work continues, no change since last report	Colin Bell	A	In Progress
Continue to gather and develop weekly intelligence reports to inform government and regional stakeholders on the state of business and to identify issues early.	Work continues, no change since last report	Siobhan Fannon	G	In Progress
Run bespoke workshops and support services to educate businesses on specific issues/changes related to EU transition.	We are in the process of procuring six webinars for SMEs: three focused on EU Exit – topics TBC – and three webinars to assist micro and small sized enterprises in the North East and TVCA areas to understand what is net zero, why it's important and how they can make a commitment to reduce their carbon footprint. Workshops to run from December 2021 to February 2021.	Siobhan Fannon	G	In Progress
Continue to work as part of the North East Economic Response Group to develop and inform regional response.	No change since last report	Colin Bell	G	In Progress
Grow inward investment in the region				

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
<ul style="list-style-type: none"> Combined and local authorities, the LEP, the Department for International Trade and private sector will work together with a shared ambition of securing maximum inward investment into the North East Establish and follow a clear target driven, lead generation model that is focused on the SEPs areas of strategic importance and support service sectors Have a robust account management system, led by local authorities, to share knowledge and investment opportunities with key partners Develop and deliver an integrated marketing plan to raise the profile of the North East as a place to invest and locate 	<p>21/22 is shaping up to be a bumper year for inward investment. Many high profile projects announced in a variety of sectors, including: Envision/Nissan; Just Eat; Smulders, Xplor, JDR Cables; Equinor/SEE; Amazon; Monstarlab. Not all of these investments will be completed this year but collectively they involve £billions investment and many thousands of jobs.</p> <p>INEE has a strong pipeline of significant projects.</p> <p>INEE mid-way through a northshoring campaign to attract business services and digital tech companies to relocate/expand to the region from London and the SE. This is progressing well.</p> <p>Other key areas of focus for INEE in 21/22 will be on electrification, offshore renewables and biopharma.</p> <p>Lead generation work is ongoing with DIT from completed High Potential Opportunities (HPOs) on Plant-based Manufacturing, Heat Networks and Immersive Technology. A further HPO on Healthy Ageing is being developed.</p> <p>INEE working with partners to develop new model of lead generation to be launched in 2022/23.</p> <p>Still significant concerns on medium to long-term impact on inward investment from COVID-19 and EU Exit.</p>	Guy Currey	A	In Progress

Deliver annual key sector development plans

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

Operationalise the Energy for Growth Accelerator	Programme Managers now in post, Accelerator operational and supporting £150m of projects	Andrew Clark	G	Complete
Convene stakeholders to agree the North East masterplan approach	Paper on energy masterplanning approach approved by EDs. Accelerator integrating into Ops meetings to progress, draft response to Heat Network zoning consultation complete	Andrew Clark	G	In Progress
Tactically promote heat networks High Potential Opportunity, heat study, mine energy white paper	Mine energy white paper launched to good reception, HPO finalised and presented to DIT overseas posts. Potential Ministerial visit in July Heat event being developed for September.	Andrew Clark	G	In Progress
Coordinate regional local authorities in delivery of local authority delivery 2 programme	Schemes in delivery led by respective LAs. LEP coordinated retrofit coordinator training.	Andrew Clark	G	Complete
Support capacity building in local authorities for retrofit delivery	LEP supported retrofit coordinator training within LAs, and is developing a model for housing retrofit skills development. NTCA retrofit framework development work nearing completion.	Andrew Clark	G	In Progress
Complete rural community energy fund delivery and evaluation	Fund fully allocated to projects. Input into evaluation being led by TVCA.	Andrew Clark	G	Complete
complete feasibility for retrofit skills proposition and determine roles in delivery	Skills Team lead, with Energy Team support. On track to complete qualitative/ quantitative assessment of domestic retrofit skills gaps. 3 workshops delivered, strong representation at each workshop from regional LEPs, education leads and industry bodies. Delivery on track for completion December 2021.	David Lynch	G	In Progress

Coordinate our energy innovation and demonstration assets to develop and showcase solutions to global challenges

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
Finalise bids for North East future energy systems today £50m+	An energy innovation project pipeline, under the NE-FEST vision, of c£285m has been established through the North East Energy Catalyst	David Lynch	G	Complete
Establish the Energy Catalyst SME support model	Planning underway for phase 2 Energy Innovation Programme. Plans being discussed with Innovation SuperNetwork and City of London Corporation. Potential approach to establish an investor panel.	David Lynch	A	In Progress
Launch the Energy Catalyst SME network and partner network	Partner network launched with new partners including Daikin, Connected Places Catapult, TNEI. SME network under active development.	David Lynch	G	In Progress
Plan and schedule the Energy Catalyst summit	An outline plan for the Catalyst summit is in development agreed with the Catalyst board supported by LEP communications team. Outline dates identified in February 2021.	David Lynch	G	In Progress
Forward comms plan for Catalyst, increase awareness and influence nationally and internationally	Key messages and assets showcased during COP26, video also finalised and shared during the last quarter. Over 1400 views of the video in first week of launch. Forward activity plan including summit (as above) in development.	David Lynch	G	In Progress
Support growth, investment and cluster development in key energy sectors				
Devise targeted inward investment process, and initial targets	Identification of key investment targets and subsectors underway. Leveraging input from DIT on low carbon heat, and OREC and Energi Coast for offshore wind.	Andrew Clark	G	In Progress
Agree, together with Energi Coast, ownership and workplan for wider offshore wind cluster development priorities	LEP established skills sub-group for Energi Coast, action plan, and appointed leads.	Andrew Clark	G	In Progress
Agree with stakeholders and coordinate the LEP's role in supporting the electric vehicles and battery sectors	Energy team now attending EV North, supporting Newcastle Uni in developing battery centre of excellence. Increasing coordination.	Andrew Clark	G	In Progress
Convene stakeholders to agree and promote a low carbon heat cluster approach	Two ministerial held on North East's low carbon heat opportunities. Heat networks HPO launched. Strategic stakeholder roundtable held. LEP team developing heat sector plans.	Andrew Clark	G	Complete
Agree regional recommendations on UK content and channels to feed these into	Feedback provided to Government by NTCA, further work to identify potential LEP interventions. Roundtable discussion to be held.	Andrew Clark	G	In Progress
Support mobilisation of the Global Underwater Hub in the North East and effective connections into networks	The LEP is participating in the implementation group for the GUH, and SubseaUK have updated the LEP's offshore energy and underwater markets stakeholder group on progress.	Andrew Clark	G	In 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	Will commence once Private Sector Digital Strategy Board in place	Colin Bell	A	Not Started
Agree strategic priorities	Will commence once Private Sector Digital Strategy Board in place	Colin Bell	A	Not Started
Mapping how stakeholders can contribute to the achievement of the North East Digital Ambition	Will commence once Private Sector Digital Strategy Board in place	Colin Bell	A	Not Started
To carry out research study exploring rates of digital Sector business start-up and scaleup and what's either enabling or inhibiting growth	Business engagement and surveys taking place with digital sector businesses to understand challenges, barriers and opportunities at different stages of development. The intelligence will be used to inform the development of sector strategy.	Craig Harrison	G	In Progress
The intelligence generated from these action's will be used to inform the development of a digital sector action plan	Delayed – will progress following outcome of LEP review	Colin Bell	A	Not Started
Review and implement new governance structure	Delayed – will progress following outcome of LEP review	Colin Bell	G	In Progress
Modernise and grow pharmaceutical manufacturing in the region				

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
Finalise business case for funding pharma manufacturing and innovation facility and identify funding sources	Outline business case for generics manufacturing facility received. Supporting project leads to explore possible funding sources and develop proposition further	Kami Kundi	G	In Progress
Develop supply chain development programme to move forward recommendations of gap analysis and support diversification. Generics manufacture - also look at wider supply chain and supply and demand dynamics	Feasibility study received which outlines regional assets and opportunities connected to supply chain for generics manufacture. Further understanding of policy environment and impact on market opportunities required.	Kami Kundi	G	In Progress
Develop a sector skills framework to support development of an appropriately skilled workforce to enable growth	Skills group established, group chair elected and objectives and action plan agreed with stakeholders.	Kami Kundi	G	In Progress
Support Industrial Digitisation through Made Smarter Hub	Working with NEPIC to recruit a pharma manufacturing cohort	Karl McCracken	G	In Progress
Develop an inward investment proposition around out advanced manufacturing strengths	Funding secured via LGF Project Acceleration Fund to carry out a proof of concept study on the development of a Life Science Manufacturing and Innovation Zone.	Colin Bell	G	In Progress
Refresh first for pharma study to understand trajectory of businesses in the sector and to understand needs, barriers and opportunities for growth	Engagement being undertaken via the Growth Hub to understand businesses challenges, barriers and opportunities.	Kami Kundi	G	In Progress
Increase the number of innovative health and life science businesses that are born, grow and scale in the region				
Support the formation of university spinouts	No change since last report	Kami Kundi	G	In Progress
Support the formation of corporate and NHS spinouts	No change since last report	Kami Kundi	G	In Progress
Support existing businesses to diversify into Health and Life Science Sector	No change since last report.	Kami Kundi	G	In Progress
Develop a sector skills framework to support development of an appropriately skilled workforce to enable growth	Skills group established, group chair elected and objectives and action plan agreed with stakeholders.	Kami Kundi	G	In Progress
Promote the region via Ageing HPO and expand HPO approach via IDPs to promote regional strengths e.g. Diagnostics, Rare Disease, Advanced Delivery Systems	NE diagnostics task and finish group established to enable collaboration across regional stakeholders to coordinate activities and communications to promote regional strengths in in-vitro diagnostics. Innovation team working with NIC-A to identify opportunities to attract investment via Ageing HPO.	Kami Kundi	G	In Progress
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	AHSN are a partner in the development of the Growth Hub's new approach to segmentation and diagnosis which will streamline the innovation pathway for those seeking to supply the NHS.	Colin Bell	G	In Progress
Develop our ecosystem				
Progress priority LGF pipeline projects that demonstrate greatest contribution towards programme goals	Being considered through the Innovation programme pipeline	Alan Welby	G	In Progress

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
Carry out study to assess if property and infrastructure can meet the needs of industry	LGF funding secured by Newcastle City Council to develop business case for expansion of Biosphere at Helix.	Kami Kundi	G	In Progress
Carry out freight logistics study	Funding secured through Project Acceleration Fund to progress next phase of business planning.	Richard Baker	G	In Progress
Develop baseline data for sector and publish on Data Hub	No change since last report.	Kami Kundi	G	In Progress
Develop the competitiveness of the North East's Advanced Manufacturing sector				
Working with government and Tees Valley Combines Authority to lead the development of a North East Made Smarter adoption programme which will support 100 manufacturers to adopt industrial digitisation technologies	Made Smarter Fully Mobilised. Delivery on track in partnership with TVCA. Bidding for additional money from BEIS to introduce a capital grant element to add further value to participating businesses.	Karl McCracken	G	In Progress
Following the mobilisation of Made Smarter we will establish an Advanced Manufacturing steering group	Delayed whilst we await the outcome of the LEP review	Karl McCracken	R	Not Started
The steering group will then work with the LEP to develop an Advanced Manufacturing Sector plan/strategy	Delayed whilst we await the outcome of the LEP review	Karl McCracken	R	Not Started

Innovation | Lead: Alan Welby

Vision (in SEP)

Innovation is central to our long-term aim to build a more productive North East, fostering a competitive and embedded business base and solving social and economic challenges in the region and beyond. It is a tool for internationalising our economy, particularly in areas of specialisation, by attracting partners and investors to engage in our science, research and business base and for strengthening the competitiveness of businesses and creativity of communities.

We have an ambition of a collaborative and open innovation eco-system that enables the matching of what is needed to what is possible to drive economic or social value, or both.

We aim to increase the number of innovation active businesses by 550 and increase investment in business research, development and innovation by 50% between 2014 and 2024.

Highlights in current period:

This period's headlines:

- We were awarded a total of £320618 from the Community Renewal Fund to deliver a programme of support in Gateshead and Sunderland . We will deliver this programme with our IDP partners and RTC North.
- The 51 expression of interests for regional innovation projects have been evaluated by the LEP team and supplemented by face-to-face meetings. Projects have been prioritised and now will be evaluated by a sub panel of the Innovation Board before endorsement by the Innovation and main LEP boards.
- These projects formed the basis of the innovation component of the North East LEP CSR submission.
- Challenge North Tyne proposal has finalised business case and application should be assessed by North of Tyne Combined Authority Investment panel in December

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
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.	Upon outcomes of UK CRF bids, we were unfortunately unsuccessful for all 3 bids across Durham, Gateshead and Sunderland. Whilst we were successful in our bids for the Future Markets programme, we remain very optimistic with our efforts towards our Challenge North Tyne bid to NTCA. We are working closely with ISN to develop the business case and have engaged with NTCA and New Skills Consulting to enhance the bid after receiving initial feedback. Project costs have altered from those in the outline business case, and we now envisage the programme to run from 1 st January 2022 to 31 st August 2023. The completed bid will go to NTCAs November Investment Board.	Alan Welby	A	In Progress
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.	Funding has been secured from innovation and communications to deliver the website in anticipation of the funding for Challenge North Tyne activities and alternate challenge delivery approaches. Developers have been contracted to deliver the website which is anticipated to be completed and ready for launch by January 2022.	Nicola McIntosh	G	In Progress
Position innovation challenges as a route to new business opportunities and growth.	Although applications to UK CRF were unsuccessful, our proposition to NTCA remains a priority and is an example of our route towards a successful regional approach to innovation. We continue to work with regional partners in building these activities. At the same time, we are building open innovation content for the Growth Hub that clearly articulates the benefits of innovation as a route to new business opportunities and growth.	Alan Welby	G	In Progress
Prioritise a regional pipeline of projects to form a Strategic Investment Programme				

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
Work with at least ten 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.	All 51 Eols received to the 2021 call have been evaluated by members of the LEP executive team, and a preliminary prioritisation of the projects has been subjected to test and challenge by an external review panel which included members of the Innovation board, North East LEP Strategy and Policy and Investment team members, Local Authority representatives. A draft pipeline of projects has been produced which will be presented to the Innovation Board for endorsement on the 7 December. In a parallel process, revenue business support projects are being categorised using the business growth model to curate an easy to navigate business support ecosystem.	Rebecca Furness	G	In Progress
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	Numerous opportunities for linking North East businesses and assets have been recognised through the recent innovation project pipelining activity which includes linking projects to increase potential project impact, linking projects with IDPs participating in the pilot and establishing connection between projects and sectoral and industry alignment colleagues within the LEP to facilitate mutually beneficial relationships.	Alan Welby	G	In Progress
Facilitate access to research and capabilities that will help businesses increase innovation activity and facilitate knowledge transfer.	Innovation pipelining activity seeks to curate business support programmes within the region, which will provide additional capacity and improve access to projects including those offering knowledge transfer and finance.	Alan Welby	G	In Progress
Inform and help shape emerging national innovation strategy.	The Innovation Strategy deferred key decisions on regional innovation until the Levelling up white paper. This is anticipated before the end of the year.	Alan Welby	A	In Progress
Increase private sector investment into growing innovation businesses				
Support mechanisms to increase investment in R&D and innovation through relationships and collaboration including: 1. Support the promotion and launch of the City of London Corporation Interconnector 2. Facilitating the preparation of an investment plan for Venture North 3. Supporting the evolution of the Northern Accelerator programme.	Venture North and Northern Accelerator both submitted Eols into the Innovation project pipeline process. Alan Welby supports the Northern Accelerator through the NA Board. The team continues to support the Interconnector as a mechanism to boost innovation activity and investment through relationships..	Alan Welby	A	In Progress
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 continue to inform Investment Team, lead delivery team for successor funding, of emerging national innovation policy that may impact succession planning.	Alan Welby	A	In Progress
Engage with partners to identify emerging opportunities and drive business growth through an Innovation Delivery Partnerships (IDP) approach:				

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
Submit bids proposals to the UK Community Renewal Fund for a project to develop further and deliver at pace the IDP approach. If successful deliver the proposals in line with funding award(s).	Of the two lead authorities that took the application forward to LUHC, both were successful. We are now mobilising activity including business support through 7 IDPs and the new Design Support Alliance to companies in Gateshead and Sunderland City Council areas. 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.	Dinah Jackson	G	In Progress
If unsuccessful, work with partners to explore the opportunities to continue to develop the IDP approach, including: 1. To continue to support the current and future potential IDPs 2. Develop and test the approach which is anticipated to include an assessment tool and benchmarks framework.	We are looking to bring resources to the IDP activity through external means in addition to the UK CRF resources secured to support the current IDPs and develop and test the approach. The IDPs are developing delivery plans, progress reported to Innovation Board, December.	Dinah Jackson	G	In Progress
Undertake an economic markets foresight analysis project to identify emergent global market opportunities for the North East.	The project continues to make good progress. 17 markets have been identified as having significant potential for future growth in the North East. Peer review to test and validate these initial findings is underway, lead by the Government's Open Innovation Team. The work will be discussed by the chairs of the boards rather than via an extraordinary meeting of boards. We are on track to publish the work by February 2022.	Dinah Jackson	G	In Progress
Coordinate regional partners to provide enhanced innovation support activity:				
Facilitate connections and collaboration between national and regional partners including Innovate UK, NP11 and the Innovation SuperNetwork to boost innovation activities.	The ISN are working closely with us to develop open innovation challenge proposals for regional benefits. Alan Welby chairs the NP11 innovation group and working with all NP11 LEPs to develop a Northern Powerhouse portfolio of priority projects	Alan Welby	G	In Progress
Work with government and regional partners to support the development of, and transition to, a new innovation business support and sector development landscape.	We continue to liaise with the No. 10 Levelling Up Unit, BEIS and IUK colleagues to keep pace with Government intentions for innovation support and have continued conversations with The Productivity Institute. We await the Levelling Up white paper before the end of the year. It is hoped that this should give a clearer outline to the emerging regional innovation support landscape. The Community Renewal fund funded a variety of innovation projects and programmes across the UK. These projects seemed to have selected due to local opportunities rather than a coordinated strategic approach. We continue to work with local and regional partners to prepare local approaches to innovation business support and proposals for new innovation support are reflected in part in the project pipeline through nine innovation support proposals. These total a project value of £36.5m.	Alan Welby	A	In Progress
Work with innovation business support providers to enhance content on, and improve signposting to, schemes on the North East Growth Hub.	Content continues to be updated with input from support providers and social media is being utilised as a tool to drive traffic to innovation scheme information on the Growth Hub.	Nicola McIntosh	G	In Progress

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
Publish an innovation toolkit on the North East Growth Hub. The toolkit will generate 300 referrals to the provider network	Between 1 Oct and 16 Nov there were 1073 page views on the Innovation Toolkit with Google ads being the top channel for driving visitors to the toolkit, generating 576 sessions. The average time spent on the toolkit was 2 min 53 seconds. The total referrals to date (since 1 September) are 35.	Nicola McIntosh	G	Complete
Evaluate the Local Growth Fund programme's Innovation Pipeline Development Fund.	An internal evaluation approach for this mini fund is currently being determined in conjunction with North of Tyne Combine Authority as the North East LEP's accountable body. The delivery of the projects supported through the fund has been significantly delayed by Covid-19 and consequently formal external evaluation will be delayed until project outcomes are realised for all projects.	Alan Welby	G	In Progress

Skills, employment, inclusion and progression | Lead: Michelle Rainbow

Vision (in SEP)

Our long-term ambition in the North East is that demand for skills and the quality of jobs continue to improve, leading to higher productivity. To delivery this, the North East must be a place where:

- Individuals, regardless of age or employment status, have a good understanding of the employment opportunities available in the North East and the pathways to access them
- Employers have strong links with education and training providers leading to responsive provision that meets local needs
- All patterns understand the importance of skills in improving productivity and living standards, with commitment to delivering good working environments for residents

This is an ambition vision that will require substantial changes to deliver. By 2024, our ambition is that these principles are understood across the region and that there has been significant progress made towards their achievement, providing a strong base to build on in future years.

Highlights in current period:

- The North East LEP has secured the opportunity to host the launch of National Careers Week for the UK next year. It will be a great opportunity for the region, as the first LEP to host and the first time that the NCW has been held outside London.
- The final evaluation of the primary pilot was published. Despite challenging conditions to run a pilot the evaluation found that over the course of the Pilot, CRL has become embedded within the general curriculum with 88% of Careers Leaders saying that they are spending more time on careers compared to before starting on the Pilot.
- Additionally, 92% of Careers Leaders said they found the framework of Benchmarks to be very useful or useful.
- The skills team secured the buy in from 45 individuals from across early adopters of T-levels to engage in effective employer training to ensure consistency of messaging for promotion of T-level in region
- The North East LEP area’s work on careers in Further Education was showcased in the CEC’s national FE connect edition.

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
Deliver North East Ambition				

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
<p>Support and demonstrate progress and impact as we work with 145 schools and colleges to achieve the eight Good Career Guidance benchmarks.</p>	<p>During the past quarter, we have established a new model of delivery for North East Ambition. We have continued to work on a 1:1 basis with primary schools, secondary schools, SEND schools and colleges within the region to support them with their Benchmark achievement. This has included:</p> <ul style="list-style-type: none"> • Writing a new Strategic Hub Plan for our work with The Careers & Enterprise Company (CEC) • Delivering a presentation to North Tyneside Headteachers • Delivering a presentation to South Tyneside governors • Attendance at each LA CEIAG group and facilitating a further group, involving all of the individual Chairs of these LA groups <p>In addition, we had our annual review meeting with the CEC where we showcased the work that has been developed and delivered across the team, and agreed a set of priorities for the year ahead. These included:</p> <ul style="list-style-type: none"> • Benchmark achievement, with an increased focus on examples of best practice or demonstrations of impact • A renewed focus on ensuring schools/colleges complete Compass on a termly basis • Increased strategic engagement of headteachers/principals (as well as other stakeholders) to support our work • Delivering our SEND Effective Transition Fund Project • Developing our Middle School Forum • Further employer engagement including geographical cold spots <p>We have delivered new Career Leader training to a number of the newly appointed Career Leaders within the region</p> <p>We have developed a series of LMI resources for the North East Ambition website, including an Energy based Sector Skills toolkit, and commissioned a further resource for use in KS3, KS4 and post-16 settings</p>	<p>Matt Joyce</p>	<p>G</p>	<p>In Progress</p>
<p>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.</p>	<p>The end of year 2 report for the Primary Pilot has now been completed by our independent evaluators. Key findings:</p> <ul style="list-style-type: none"> • The Pilot average for Fully Achieved Characteristics at the end of Year 2 was 65%, up from 40% in the Year 1 audit and 13% at the Baseline audit. • The average number of Fully Achieved Benchmarks was 2.3 at the end of Year 2, up from 0.6 at the end of Year 1, and 0.0 at the Baseline audit. • Over the course of the Pilot, CRL has become embedded within the general curriculum with 88% of Careers Leaders saying that they are spending more time on careers compared to before starting on the Pilot. • 92% of Careers Leaders said they found the framework of Benchmarks to be very useful or useful and the biggest positive impact on Career Leaders overall related to how the Pilot has helped to increase Careers Leaders' knowledge, skills and understanding. • We fully achieved all 3 aims and 3 of the 4 objectives of the pilot. The 4 objective, linked to scalability, was the most impacted by the pandemic and still partially achieved <p>We hosted our final Pilot Steering Group – with our partners EY Foundation.</p> <p>We have also commissioned a piece of work to develop a parental engagement strategy – linked to careers related learning – for the schools involved</p>	<p>Matt Joyce</p>	<p>G</p>	<p>In Progress</p>

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
Continue to facilitate the partnerships between businesses and educators to reduce the gap between skills supply and skills demand, through the Enterprise Advisor Network, by engaging with 40 new employers.	<p>A Gateshead Place based pilot encouraging greater collaboration between employers and Careers leads in schools is confirmed for late November 2021.</p> <p>The team ran a specialised event engagement with the Civil Service departments DWP and HMRC to promote Enterprise Advisor (EA) opportunities.</p> <p>We have a current total of 135 Enterprise Advisers in the region. To support our network, the team hosted two Enterprise Adviser events. The first was focused on new EAs and the other had a focus on Benchmark one, a key target for the schools and colleges.</p>	Matt Joyce	G	In Progress
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.	The North East LEP has hosted the first Regional Careers Leader Network Meeting of the year. It was held as a hybrid event. It provided a platform for an LMI update, a technical education update and other content relevant for Career Leaders within the region.	Matt Joyce	G	In Progress
Participate in a number of key working groups and steering groups.	<p>The North East LEP skills team:</p> <ul style="list-style-type: none"> • Attended the national CEC FE & Skills meeting resulting in LEP now featured in 3 of 4 termly national FE bulletins • Facilitated two LEP Apprenticeship Group meetings in which feedback for employer asks was submitted to ESFA • Chaired the NE College Hub with attendance from national CEC • Attended North East LEP Principals Forum to update on technical education and college hub engagements • Attended ICS NHS Health Trust meeting to raise awareness of FE offers and secure industry placement. • Established and chaired regional CEIAG tech ed group 	Matt Joyce	G	In Progress
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.	<p>ESF North East Ambition (the pilot) – we have submitted a request to extend the project to December 2023. This has been through two stages of the three stage DWP approval process. To date the project is delivering slightly behind project profile targets and has engaged with 320 SMEs (3% behind target). The Enterprise Co-ordinator team is developing an action plan to address the shortfall of businesses engaged in the Durham area (32% behind target).</p> <p>The ESF North East Ambition (expanded programme) commenced in April in partnership with Education Development Trust (EDT). To date, the project overall is 175% ahead of target in terms of SMEs engaged. Again, delivery in the Durham area is 50% behind target.</p>	Matt Joyce	G	In Progress

Deliver Education Challenge

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
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.	All schools have managed to engage with Cycle 5 of careers interviews there has been a need for some virtual delivery due to ongoing outbreaks of Covid 19. A range of interventions are planned this term in response to data and school requests including face to face engagement with a range of apprentices and employability skill development sessions.	Neil Willis	G	In Progress
Further develop processes and partnerships with a focus on the strategic use of data to improve progression and career pathways for young people.	<p>Focus groups have been facilitated between Newcastle University Open Lab and students. The aim of the focus groups was to gain a preliminary understanding of the following:</p> <ul style="list-style-type: none"> • What are the understanding and attitudes of students towards careers data tracking? • What apps and websites do students habitually use? • What are students' priorities around sharing of career and destination data in respect to these apps and websites? <p>The findings will support the research project which aims to design a digital service to support young people to explore potential career pathways and progression post-GCSE.</p>	Neil Willis	G	In Progress
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.	We are now working with National Governance Association to slice the 2021 National Governance Survey to obtain a North East regional report with a focus on successes, challenges and opportunities to support further development of the strategy.	Neil Willis	G	In Progress
Support national organisations, including Inspiring Governance, to achieve their KPIs specific to the region including diversity of governing bodies.	Two North East LEP case studies have now been released with the remainder scheduled over the next 3-4 months.	Neil Willis	G	In Progress
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.	Further stakeholder sessions have taken place and Northumberland College leadership and curriculum staff are now forming an action plan that will inform curriculum delivery from September 2022. The action plan will be shared with the employer stakeholder group in January 2022 and will include opportunities for stakeholders to engage in planning and delivery.	Neil Willis	G	In Progress
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	Initial Teacher Training workshop in development. Agreement with Newcastle University to deliver to full secondary cohort during academic Year 2021-2022.	Neil Willis	G	In Progress
Improve skills progression				

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
Promote the concept of fusion skills regionally	Initial desk research and scoping of the fusion concept completed Reached out to NCFE to explore collaborative pilot	Kim Smith	N/A	Not Started
Deliver a pilot that demonstrates how fusion skills (STEM and arts and design skills) are critical for success in an A.I. workplace.	Project activity not planned until Q4	Kim Smith	N/A	Not Started
Work with partners to analyse data relating to FE to 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.	Data analysis is underway and will form the evidence base to form a strategy to promote graduate retention.	Anthea Pratt	G	Not Started
Develop an approach to support the Careers Education, Information, Advice and Guidance community to embed broader technical education in their practise to support progression pathways.	Initial 1-1 meetings have taken place with key national stakeholders and providers have nominated representatives for task and finish group to meet in Sept.	Kim Smith	G	In Progress
Support eight early adopters to deliver good quality T-levels and specialist technical education	<ul style="list-style-type: none"> Met with Newcastle University to explore their public recognition for accepting T-levels within entry requirements Finalised external training provision for the delivery of effective employer engagement in T-levels to 45 attendees from early adopter of T-levels to commence in November. The Domestic Retrofit Skills Assessment project has delivered 3 workshops to a range of sector stakeholders, businesses and education/training providers. An analysis of current education provision to meet the skills challenge of Net Zero targets is underway, including surveying all ESFA funded providers who have delivered retrofit/energy education and training in the North East LEP area in the 2020/21 academic year. This will be utilised to undertake a capacity and capability assessment. 	Kim Smith	G	In Progress
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.	Durham Works was successful in its application to continue support to unemployed young people until December 2023. DurhamWorks has now supported over 8000 young people since its commencement in January 2016. Generation NE programme has now come to an end with no current replacement project that provides the level of support to prevent youth employment in the ESF More Developed area. We are closing monitoring the impact of the close of the programme on youth unemployment figures.	Michelle Rainbow	A	Not Started
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.	LEP Apprenticeship Group has approved the collaborative paper. Barriers to SME engagement have been fed back to ESFA. The biggest challenge has been identified as employers onboarding new starts. Group has agreed to consult with employers on 16-19 apprenticeship experiences and feedback end of year.	Kim Smith	N/A	Not Started

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
Improve labour market activation				
Building on the Mid-life MOT pilot, we will continue to work with DWP 50+ Choices delivery partners to inform development of their activities to help businesses to understand the importance and productivity benefits of a mixed age workforce and access various targeted schemes that can help the upskilling and retention of the key 50+ workforce.	DWP have now published the outcome of the Mid-Life MOT pilots. North East LEP was one of 10 LEPs who piloted a Mid-Life MOT project in 20/21. Lessons learned from this and other pilots will be utilised to develop an action plan to support upskilling and retention of the key 50+ workforce in the North East LEP area.	Anthea Pratt	G	In Progress
Focus support for those most negatively impacted by COVID-19 by promoting and maximising the impact of government initiatives such as Kickstart, skills bootcamps, employer grants for apprenticeships and traineeships.	DfE have awarded the contract for skills Bootcamps to a North East collaborative partnership of Colleges and a Training providers. The partnership is also supported through a collaboration with New College Durham who are providing follow on support for jobseekers, and Sunderland Software City, with SSC coordinating employer engagement to ensure Bootcamp Participants can access a guaranteed interview, and employers are able to steer the programme to ensure that Bootcamps provide suitably skilled candidates. The contract will provide 485 Bootcamps places for North East residents before March 2022. The North East LEP team is supporting DfE in the roll out of phase three of the bootcamps. The procurement for phase three is expected in late November 2021.	Michelle Rainbow	G	In Progress
Provide specialist intensive support for those most distant from the labour market because of disadvantage, poverty and poor physical and mental health, by supporting calls published by the European Social Fund.	We are closely monitoring the roll out of the Restart programme in the region. We have follow up meetings to explore how the delivery model will support those in the community with mental issues and those living in rural communities. The DurhamEnable Supported Employment Service is now established across the county, helping residents with disabilities to move into or closer to work. We now have 69 customers registered with the DurhamEnable Service who our Job Coaches are working with to progress into paid employment. 21 customers have now received offers across a range of job types and employers including apprenticeships with Durham County Council. Other employers include Tesco, NHS Newcastle Hospitals Trust, The Gala Theatre and Countrystyle Foods.	Michelle Rainbow	A	In Progress
Inform the replacement investment post-European funding.	We continue to respond to opportunities to inform and influence national discussions and policies regarding investment in skills in the region: The Skills Team are now providing representation at meeting with ESFA and DWP to review the performance of existing ESF projects to ensure that ESF revenue to the North East LEP area is maximised.	Michelle Rainbow	G	In Progress
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 commissioned report has now been finalised and presented to the September meeting of the Skills Advisory Panel. The SAP accepted the recommendations.	Anthea Pratt	G	Complete

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
<p>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.</p>	<p>Following the recommendations of the commissioned research project the following have been implemented:</p> <ol style="list-style-type: none"> 1. Secured £80,000 of Accelerator Funds to fund the development of Centres of Digital Expertise in the North East LEP area to provide coherent programmes of digital skills. The funding letter has been received and the first stage of procurement is underway. 2. The North East LEP will lead regional stakeholders to agree a North East Digital Inclusion strategy. 	<p>Michelle Rainbow</p>	<p>G</p>	<p>Not Started</p>

Transport connectivity | Lead: Philip Meikle

Vision (in SEP)

Our ambition is one of improved, greener and more sustainable transport options, including public transport, cycling and walking.

New mobility solutions will make travel simpler and affordable across our distinctive local economy. Quality infrastructure will make for reliable, fast journeys with connectivity into national and international freight and passenger networks. This network will be the enabler to sustainable growth and opportunity, and to the North East being an outward looking economy attracting trade, investment and visitors from across Europe and the world.

Through the Strategic Economic Plan we have established a strong investment pipeline. Our aim is to continue to deliver continuous improvement in a modern, integrated transport system that underpins our economic ambitions.

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
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 2022.	We have agreed extensions for 5 schemes (out of 8) with the DfT. All schemes are now due to complete by December 2022. The first scheme is now on site which is the Durham County Council Newton Aycliffe scheme. A further two grant funding agreements are due to be sealed shortly.	Jonathan Bailes / Izzie Broadbent	A	In Progress
Deliver the Active Travel marketing campaign funded through the Active Travel Fund by March 2022	<p>The regional 'Go Smarter, Go Active' marketing campaign which aims to promote our cycling and walking infrastructure to explore our region, improving health and boosting the local economy is being project managed by Transport North East on behalf of the North East Joint Transport Committee. The campaign consists of three projects;</p> <ul style="list-style-type: none"> - Series of 7 week long cycling roadshows, - New cycling and walking maps, - Series of days out guides by cycling and walking travel. <p>The three projects were delivered summer 2021. Comms activity continues to promote the maps and days out guides including regional editorials, blogger activity and social media engagement. This will continue until March 2022.</p>	Kim Farrage/ Rachelle Forsyth-Ward	G	In Progress
Receive a final funding award from the Transforming Cities bid				
Seek approval from the Joint Transport Committee for the release of £65million funding to sustainable transport projects which are due to start construction by March 2022.	In the July JTC meeting, a delegated decision was approved to release £16.3m of TCF funding for the Sunderland Central Station and MSCP scheme. Remaining schemes are forecast to deliver business cases in time to start on site by March 2022, however there is still some potential risk attributable to capacity constraints. This is being actively managed and mitigated against through regular meetings with scheme promoters and appropriately programming the resource of independent review consultants to expediate the appraisal process. A further £7.74m of advanced funds has been agreed to be released by JTC to ensure scheme delivery within TCF programme timescales. The regional ITS scheme is currently in appraisal and is expected to be approved in December, this will bring the total amount of funds approved up to £41.8m. We are expecting 10 full business cases to be approved prior to the end of March 2022.	Jonathan Bailes / Izzie Broadbent	A	In Progress
Release £9.8million for the Metro Flow scheme.	£1.7m was released to Nexus in July following sealing of a Grant Funding Agreement between Nexus and NECA. Following discussions between TNE, 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 Department for Transport.	Jonathan Bailes / Izzie Broadbent	G	In Progress
Continue to improve and deliver better connectivity through improved infrastructure				

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
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 JTC in October 2021. The regional Transport Assurance Framework will be reviewed and refreshed by Spring 2022. Following adoption of a refreshed Transport Assurance Framework we will look to refresh the Transport Pipeline in line with the assurance framework.	Jonathan Bailes / Andrew Dorrian	G	In Progress
Use transport to drive innovation and business growth				
Work with Transport for the North, East Coast Mainline Authorities, MPs, Chamber of Commerce, etc to seek investment from government for interventions that will uplift in the East Coast Mainline's capacity and line speed, north of York	Work continues to lobby for improvements in the ECML. The rail industry consultation proposals for a major timetable change on ECML from May 2022 has again highlighted the need for line capacity increases between Northallerton and Newcastle. On Thursday 18 November 2021 the UK government's long-awaited 'Integrated Rail Plan' (IRP) for the north and midlands was 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 (neither HS2 nor NPR) and there is no committed rail investment in the plan for the area.	Derek Gittins / Harry Nicol	G	In Progress
Dependant on the outcome of the Government's Integrated Rail Plan for the North and Midlands and the Restoring your Railways bid for the reopening of the Leamside Line, we will prepare strategic outline business cases for local rail services and an umbrella Strategic Outline Business Case (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.	Work is progressing on the development the umbrella SOBC, however following the publication of the IRP and the rejection of the Restoring Your Railways Initial Ideas Fund bid for Leamside local passenger services, we need to reflect upon the content and review our next steps	Derek Gittins	G	In Progress
Continue to support Northumberland County Council to prepare the full business case, or the reintroduction of passenger services onto the Northumberland Line, which is scheduled to be submitted in Autumn 2021.	Work is still on programme to deliver the Full Business case in the autumn. 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. Public Inquiry covering the Transport and Works Act required started on the 9 th November (estimated to last up to 4 weeks)	Derek Gittins	G	In Progress
Ensure that pipeline identified in the North East Transport Plan of schemes to support economic recovery is managed as a live programme	A Capital Pipeline of schemes was agreed in the Transport Plan. New funding opportunities such as 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 November 2021 and March 2022 respectively. 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 JTC. The framework details how the Transport Plan Programme will be managed and updated including reporting to Joint Transport Committee on progress towards delivery.	Jonathan Bailes / Andrew Dorrian	G	In Progress
Continue to develop regional Transport Strategies and policies that align with the North East Transport Plan				

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
Produce a North East Rail and Metro Strategy to complement the North East Transport Plan	Work has progressed well over the period with a 'designed' pre consultation draft currently with stakeholders for review The timetable has been pushed back with the consultation draft now aiming for approval by JTC in January 22. Consultation then to follow through January /February and once any revisions are made seek JTC sign off of the Strategy in June/July 2022.	Derek Gittins	G	In Progress
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 Policy is currently being developed for publication in 2022.	Kim Farrage / John Bourn	G	In Progress
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 Transport North East Engagement Strategy is in the early stages of development. A Project Initiation Document has been drafted and a project team has been assembled. The 'Making The Right Travel Choice sub group' which has recently been set up will act as a steering group for the development of the strategy. The Strategy is on course to be delivered summer 2022	Rachelle Forsyth-Ward / Kim Farrage	A	In Progress
In collaboration with bus operators, we will produce a Bus Service Improvement Plan, to take advantage of funding available through government's National Bus Strategy	In collaboration with bus operators, the seven local highway authorities and Nexus, we have developed a Bus Service Improvement Plan (BSIP), published on the TNE and partner website's and submitted to the Department of Transport before the deadline of 31 October 2021. This plan, and the partnership work under way to prepare the EP (Enhanced Partnership Plan and Scheme(s)), aims to improve bus services dramatically, growing bus demand to support a green recovery, with the support of funding available through government's National Bus Strategy. Following the publishing of the BSIP, we are now pursuing the Enhanced Bus Partnership by 2022.	Heather Jones/ Philip Meikle	G	Complete
Deliver the Electric Vehicle charging infrastructure funded through Local Growth Fund				
Deliver EV charging infrastructure at the seven priority sites as identified in the enabling study undertaken by Urban Foresight to set out a five-year programme of works to ensure that region is in a strong position to support the transition to EVs	Following a tender exercise to procure a contractor to install, operate and maintain the EV chargers at the 7 identified locations, Swarco has been appointed. The exercise was undertaken through a specialised EV framework. It is anticipated that the delivery of the chargers will complete 2022.	John Bourn	G	In Progress
Through LGF funding, priority locations will be delivered by 31 March 2022.	Following a tender exercise to procure a contractor to install, operate and maintain EV Chargers at seven identifies locations, Swarco has been appointed. The exercise was undertaken through a specialised EV framework. Work is underway to complete detailed designs and to obtain TCP/IP costings. The latter are currently under review with Swarco. Issues have arisen with the Durham charger site and it is possible that a new site may need to be selected, subject to JTC approval. It is anticipated that work will be completed in 2022.	John Bourn	A	In Progress
Complete Metro Asset Renewal Programme				
Continue with a system-wide overhead line renewal programme.	Overhead line contact and catenary wire replacement now to be delivered in longer more efficient possessions – to incorporate secondary works within the closures. Next scheduled for February 2022. Component and cantilever replacement continuing.	David Shields	G	In Progress
Continue to delivery platform compliance works by Autumn 2021.	All site contract works completed – close out to follow..	David Shields	G	Complete

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
Continue our cable testing and replacement and the location case re-wiring programmes across the network.	Cable testing and replacement agreed and approved and being progressed on site together with location case rewires by the internal Capital Delivery team - a long term programme to address degradation of cables up to 40 years old.	David Shields	G	In Progress
Deliver the track renewals at Tyne Dock in September 2021.	Work completed to programme over weekends of 9 th / 10 th October and 30 th /31 st October by the Nexus internal Capital Delivery Team	David Shields	G	Complete
Deliver the switches and crossing renewals at Christon Road (South Gosforth) in February 2022.	ITT for main installation contract evaluated and approval to award to be sought w/c 22 nd November for planned February 2022 works.	David Shields	G	In Progress
Prioritise and deliver lift and escalator half-life refurbishments based on asset condition	Consultant survey complete and delivery plan in development for refurbishment and renewals as determined. Work to be phased across current and next financial years.	David Shields	G	In Progress
Continue to invest in the current Metro fleet to improve reliability.	Ongoing continuous programme of works – progressing to plan	David Shields	G	In Progress
Continuation of project development work to progress scoping, surveying and designs to enable future delivery – subject to funding availability, e.g. Pelaw/Prudhoe/Monkseaton switches and crossings, multi-story car parks, Whitley Bay Station canopy and Scada/power mimic replacement.	Design package for 3 switches and crossing progressing, Whitley Bay station canopy surveys and structural assessments underway, Northumberland Park Car Park surveys and scoping underway, Scada – initial Consultant report and estimates received and under evaluation. Note: progression beyond design is dependent on funding availability.	David Shields	G	In Progress

Investment and infrastructure | Lead: Helen Golightly

Vision (in SEP)

Through focussed and coordinated investments we will address market failures and competitive weaknesses. We will work with partners to quicken the pace and scale of investment across the North East, focusing on our business and infrastructure investment opportunities and needs. Opportunities for job and productivity growth on strategic employment sites, in town and city centres, along strategic transport corridors, in our culture and tourist hubs and in the rural economy will be prioritised.

Highlights in current period:

- Project Accelerator Fund second call now open, with applications to be submitted to the LEP by 16 December 2021.
- Procurement of the CPIF Fund Manager progresses with tender submissions are due by 3 December 2021 for evaluation
- Two major investments announced on NEP1 (JDR Cables) and IAMP (Envision)
- Amazon development on Follingsby Enterprise Zone in Gateshead no operational, with 1,300 jobs created

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
Continue to manage the already secured North East LEP funding effectively:				
Report quarterly performance monitoring dashboards to the North East LEP Investment Board.	Investment Board received reports on progress of LGF, GBF, NEIF and EZ Programmes at the 18 November 2021 meeting, in which templates for standardised reporting across the funding programmes were utilised for the first time. Investment Board also received an updated on the interim evaluation on the LGF and EZ programmes	Helen Golightly	G	In Progress
Monitor programme level risks via the Technical Officer Group.	Programme risks continue to be reported as required to Technical Officer Group (most recent meeting 4 November 2021).	Helen Golightly	G	In Progress

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
<p>Deliver the Local Growth Fund (LGF) programme including reporting, as required, performance to the Ministry of Housing, Communities and Local Government.</p> <p>Key project infrastructure outputs by 31 March 2022 include:</p> <ol style="list-style-type: none"> 1. Jarrow Business Centre – Manufacturing workspace completion 2. Gateshead Quays – work to commence on £300m 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. 	<p>Update on key infrastructure projects (numbers below refer to key on left):</p> <ol style="list-style-type: none"> 1. Construction completed; first tenant occupation expected by end of 2021 2. Preliminary works underway, including multi-storey car park. Enabling works commencing November and main contractor to start on site has been re-programmed to Q1 2022/23. 3. Progress on Bank House continues as per new programme, public realm works continued to be detailed with phase 1 due to start this year. 4. Enabling works have started with view to main refurbishment contract to be let in early 2022. 5. Projects are largely delivering to programme, some minor delays. 6. Main contractor works anticipated to be completed by end of 2021/22, JDR Cables announced intention to build major manufacturing facility on the site with the creation of 170 jobs 	Ray Browning	G	In Progress
<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> <ol style="list-style-type: none"> 1. Public realm improvements in town and city centres totalling 26,229sqm 2. Construction of new commercial, industrial and retail space totalling 21,200 sqm by 31st March 2022 3. Support over 1,471 construction jobs 4. New R&D facilities totalling 3,550sqm 5. New learning floorspace 1,137sqm 6. New superfast broadband connections – 1,350 7. 175 new jobs created and 170 jobs safeguarded 8. 4.4km of new or improved roads / cycleways 	<p>Limited outputs, as forecast, reported in Q2 115 construction jobs, bringing total construction jobs to 258 for the year to date. Many projects have reported some slippage in delivery programmes, mainly associated with pressures in the construction market i.e. price increases and delays in supply of materials and equipment. Three projects withdrawn.</p>	Ray Browning	A	In Progress
<p>Manage the legacy budget from the LGF programme 2015-21 including £15m (tbc) programmed to support a mix of revenue and capital projects.</p>	<p>In Q2 expenditure totalled £2.88m, bringing total for year to £4.88m. 226 new jobs were reported in Q2, bringing total for year to date to 384. Progress update report considered by Investment Board mtg 18 November 2021.</p>	Ray Browning	G	In Progress
<p>Complete the LGF/EZ programme independent interim evaluation by 30 June 2021.</p> <p>Complete at least 10 project evaluations, which will be delivered by partners by March 2022.</p>	<p>Interim evaluation of the LGF and EZ programme reported to Investment Board and North East LEP Board in September 2021.</p>	Ray Browning	G	In Progress

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
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.	All investment decisions made during the period were in accordance with the Assurance Framework.	Helen Golightly	G	In Progress
New businesses will begin operating on the Enterprise Zones, including at Follingsby Max in Gateshead. By March 2022, our Enterprise Zone sites will become home to more than 3,000 jobs with North East LEP investment having been more than £100m, unlocking more than £210m of follow on investment	Amazon development on Follingsby Max site is now operational, with around 1,300 jobs on site. The following KPIs were reported in monitoring returns for Q2 2021/22: <ul style="list-style-type: none"> 52 new jobs created on EZ sites (excluding construction jobs), total for year is 130 Two further businesses operating from EZ sites The 2021/22 forecast for jobs created will be met, largely due to the Follingsby Max site becoming operational during Q3 2021/22.	Ben McLaughlin	G	In Progress
Have significant infrastructure works underway or complete on four more Enterprise Zone sites, that will be ready to secure private sector investment at: <ol style="list-style-type: none"> Northumberland Energy Park Port of Sunderland Ashwood Business Park in Northumberland Holborn 2 in South Tyneside 	<ol style="list-style-type: none"> Main contractor works at NEP 1 site are anticipated to be completed before end of 2021/22. JDR Cables have announced decision to invest on the site. Progress of work at Port of Sunderland is on track for completion by end of Q1 2021/22, with advanced investor discussion on going for East Shore site Plot specific works underway to support two new occupants, who are anticipated to be operational next financial year Infrastructure works relating to the site are progressing, with O&M facility for JV related to Offshore Wind expected to be operational in 2022. 	Ben McLaughlin	G	In Progress
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.	Strategic pipeline developed with local authority and transport partners. Will continue to be developed and updated, through activity such as the Project Accelerator Fund and the Innovation Pipeline work being undertaken.	Nicola Laverick	G	In Progress
Facilitate prioritisation of shovel ready projects through regional collaboration and make preparations for Government's future funding announcement including the proposed Shared Prosperity Fund	Second call for projects is now open for the Project Accelerator Fund Call will close on 16 December 2021, with applications considered at the January 2022 cycle of the North East LEP Investment Board.	Nicola Laverick	G	In Progress
Secure additional investment in the North East including resources to support the Regional Recovery plan:				
Manage the second-year budget of £23.5m of Getting Building Funds across the North East. The North East LEP has allocated up to £8m of additional resources to this programme to add value and to help deliver greater impact.	£23.5m GBF budget remains on course to be fully spent during the financial year. Q2 spend was £4.27m meaning total for year to date £6.88m.	Ray Browning	G	In Progress
Develop a Project Development Fund to accelerate the volume and quality of shovel ready projects making use of LEP resources	Second call of the Accelerator Fund opened 24 November 2021, with call closing 16 December 2022. Applications received will be considered during the January Investment Board meeting.	Nicola Laverick	G	In Progress

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
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 bid from Local Authorities were successful; Durham transport improvement in Bishop Auckland; two in Newcastle for regeneration of Grainger Market/Old Eldon Square and well-being hub in West Denton; and Sunderland Housing Innovation and Construction Skills Academy. LEP teams are continuing to work with partners on potential asks for future rounds.	Helen Golightly	G	In Progress
Deliver the final development phase of the Commercial Property Investment Fund (CPIF) and launch the fund. We will: 1. Procure a property fund manager between April 2021 to January 2022 2. Launch the CPIF programme in March 2022 3. Contract with several new CPIF pilot programme projects between April and August 2021, with resources from the Getting Building Fund to be delivered by March 2022 4. Continue to develop the pipeline of projects throughout the year to maximize take up once the fund is live.	<ol style="list-style-type: none"> 1. Procurement of the CPIF Fund Manager progresses. The procurement moved to the next stage with the Invitation to Tender issued early in November to the three short listed organisations. Tender submissions are due by 3 December 2021 for evaluation 2. Launch of CPIF programme will take place following procurement of fund manager, which is expect to complete in March 2022 3. Total of six projects have received funding from the GBF funded pilot 4. Pipeline of CPIF projects remains under development 	Matthew Ebbatson	G	In Progress
Continue to maximise national reserve funding from the European Structural Investment Funding and ensure the full reserve allocation is delivered within the region.	Government have focused allocation of reserve funds for activity relating to Covid recovery, and the North East has received additional funds for Growth Hub activity and high street investment via the Local Authorities	Helen Golightly	A	In Progress
Increased access to finance for businesses to invest				
Work with the North East Fund Limited to maximise its investment potential for North East SMEs.	After a drop off in demand for funding over the early stages of the pandemic, there has been a sustained period of strong investment activity. During Q2 2021/22 North East fund completed a total of 13 deals, investing £4.4m with cumulative investments to date over £66m. The fund has now provided financial support to 318 different SMEs.	Helen Golightly	G	In Progress
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.	<p>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 CSR of the British Business Bank led new £660m investment fund for the Northern LEPs.</p> <p>Broader work on the Access to Finance programme (to include supply and demand potential support requirements) continues.</p>	Ben McLaughlin	A	In Progress

Strategy, policy and analysis | Lead: Richard Baker

Vision

The North East LEP will be recognised locally and nationally as an exemplar for driving evidence based economic strategy, public policy and programme delivery.

Highlights in current period:

- Our Economy 2021 was published on 7th October, accompanied by an impact analysis from Covid 19 and EU Exit.
- The team hosted a successful online engagement event to mark the publication of Our Economy 2021
- The BEIS sponsored case study projecting the economic impact of the transition to Net Zero produced by PWC, which we supported, was published by Government on 19 October alongside the Net Zero strategy <https://www.gov.uk/government/publications/net-zero-in-the-north-east-of-england-regional-transition-impacts>
- The first meeting of a new Northern Evidence Network has been held with NP11 LEP's and TFN, which will work together on evidence development and to support the update of NPIER
- We submitted a response to the Migration Advisory Committee's call for evidence on the impact of the end of free movement on the adult social care workforce, following consultation with the EU Exit Group and the North East Association of Directors of Adult Social Services

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
Building and encouraging use of the evidence base:				
<p>Strengthen our research, evidence and analysis programme by:</p> <ol style="list-style-type: none"> 1. Supporting the LEP's delivery programmes (Strategic Economic Plan, COVID-19, sectors) and external stakeholders to improve the evidence and analysis underpinning their work 2. Co-ordinating a corporate approach to data licences, tools, procurement and visualisation 3. 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 Data Hub. 	<p>We continue to support our programmes with regards to evidence activities including trade and export analysis; sector intelligence to support ongoing development of our areas of strategic importance; the emerging markets research with innovation programme; skills analysis and stakeholder consultation activities.</p> <p>We have received the first 2 Turning Points papers covering Net Zero and our Business Base and are feeding them into key programmes</p> <p>We are finalising the procurement of a data specialist to develop a corporate data strategy. We are also reviewing visualisation platforms such as Power BI and Map Box, as part of our Evidence Hub development.</p> <p>An internal working group reviewing our procurement processes and guidance has been formed.</p>	Emma Ward	G	In Progress

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
<p>Strengthen communication and dissemination of key strategy, policy data and research findings by:</p> <ol style="list-style-type: none"> 1. Reviewing and developing the North East Datahub 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 2. Enhancing the LEP's commentary on key economic issues and evidence in priority areas 3. Delivering the Our Economy Programme 4. 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. 	<p>We are working closely with new developers on enhancing the platform, including reviewing our audiences, content and dissemination strategy.</p> <p>We have produced analysis and commentary about topics such as the local labour market, regional trade and retail and recreation footfall. We commented on the most recent labour market release. We have provided advice about specific datasets.</p> <p>Our Economy, which consisted of an annual state of the region report and summative assessment of the impact of COVID-19 and the EU transition, was published on 7th October. An online event launch was held, with 147 people in attendance, of which 90% stayed for the full event.</p> <p>We have worked with Steer-ED to enhance our understanding of distinct subsectors within our Areas of Strategic Importance (AoSI) and supporting sectors. This will be backed with further analysis.</p> <p>We have prepared an assessment of our Knowledge Intensive Services sectors across Digital and FPBS to support the update of the SEP. Between Oct 20 and Oct 21, we have seen a 146% increase in Evidence Hub sessions (8,018 compared to 3,256) and a 118% increase in users (4,512 compared to 2,071).</p> <p>We have prepared an assessment of our Knowledge Intensive Services sectors across Digital and FPBS to support the update of the SEP.</p>	Emma Ward	G	In Progress
<p>Driving forward collaboration in research and data by:</p> <ol style="list-style-type: none"> 1. 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 2. 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 3. 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. 	<p>We are developing a future programme of Forum meetings and activities, linking to key research themes identified by the group.</p> <p>We are continuing conversations with Newcastle University on the development of the regional Insights North East bid and with CAPE and Durham University about future collaborative projects.</p>	Emma Ward	G	In Progress
<p>Horizon scanning and development of new sources of knowledge including:</p> <ol style="list-style-type: none"> 1. Working with national and international inter-governmental partnerships, think tanks and consultancies on strategic evidence and policy activities 2. Exploring, accessing, and developing new methods, tools and approaches to data analysis, research and evaluation such as tools like Power BI and new databases available through platform such as Red Flag Alert and Glass.AI. 	<p>Over the last quarter we have been exploring the potential of tools such as Power BI, qGIS and RStudio to add to the team's data visualisation and analysis capabilities. We are currently building a pilot Power BI using trade data to test its functionality.</p>	Emma Ward	G	In Progress
Coordinating and supporting on regional strategy and policy projects				

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
<p>Net Zero</p> <ol style="list-style-type: none"> 1. Develop an evidence base with government and partners to demonstrate plausible pathways towards Net Zero in the North East 2. 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 environmentCo-ordinate work within the North East LEP to accelerate the drive towards Net Zero. 	<p>Following the discussion at the September Board meeting further work has been done to prepare for a decision to progress Net Zero North East including:</p> <ul style="list-style-type: none"> • Meetings with the Steering Group and Local Authorities to discuss resourcing and governance • Further development of all sections of the prospectus as a comprehensive source document to support the NZNE action, including co-ordination with a range of authors • Updating of the narrative and evidence within the NZNE project to align with the outcomes of COP 26 and focus on acceleration <p>The BEIS sponsored case study projecting the economic impact of the transition to Net Zero produced by PWC which we supported was published by Government on 19 October alongside the Net Zero strategy https://www.gov.uk/government/publications/net-zero-in-the-north-east-of-england-regional-transition-impacts</p> <p>We have engaged with senior leaders in the Environment sector to support the ongoing development of the Environmental Leaders network (led by the Environment Agency) as a collaborative platform for co-ordination and engagement. This included active participation in a strategic workshop on November 5th to present on the budget, spending review and emerging policy environment.</p> <p>Working through the North East and Yorkshire Local Energy Hub, the Planet Mark bus tour was successfully hosted in the region.</p> <p>The North East LEP has been approached to lead delivery of the Public Sector Decarbonisation fund across the Hub geography, and discussions about a delivery model are underway. The Government announced that the Local Energy Hub will be re-designated as a Net Zero hub in the Net Zero strategy, and discussions are underway about the implications of this change.</p>	Richard Baker	G	In Progress
<p>Internationalisation</p> <ol style="list-style-type: none"> 1. Publish the North East Trade and Export Strategy 2. Work with other northern LEPs and the Department for Business and International Trade to ensure that future national and northern powerhouse strategies respond to the North East strategy 3. Through a second phase of work, strengthen the evidence base and develop specific proposals identified in the strategy, including: <ol style="list-style-type: none"> a) Target exporter development at firm level b) Align and promote views of market opportunity for the North East with northern, UK and overseas services c) Define and agree approaches toto develop and strengthen the export support ecosystem d) Improve communication and promote collaboration to enhance trade and exporting. 4. Strengthen the alignment between international facing activities in the region, between trade, inward investment, innovation and higher education. 	<p>Following on from last month's update about the activities underway to promote the content of the Global North East report, work has continued by the teams at the North East LEP, DIT and North East Chamber of Commerce as follows:</p> <ul style="list-style-type: none"> • A second briefing with North East MP's took place on 16 September and we are continuing to work actively in Northern Powerhouse Fora. • We were invited to brief the DIT's UK strategy team directly which was a useful meeting which secured ongoing two-way dialogue, with a second meeting to follow • We were invited to present to a workshop on 18 November on trade in services as part of the Trade week events • Work continues to develop the phase 2 actions identified last month, including a series of sector pipeline workshops in partnership with business and sector organisations. A final draft report will be presented to the Steering Group on December 13th, with completion due at the end of the year • The Steering Group will also receive a commissioned paper from Northumbria University looking at the wider framework for co-ordinating support for international facing activity in the region <p>The UK Trade and Export strategy was published on 17 November providing a framework for post Brexit growth in trade. This included acknowledgement of the role of joint work between DIT and LEP's at the scale of the Northern Powerhouse via NP11, in regions on intelligence and trade promotion and on advice and support for business through Growth Hubs. This is a helpful framework for moving forward with our strategic export proposition.</p>	Richard Baker	G	In Progress

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
<p>Devolution</p> <p>1. Monitor and respond to developments in national government policy relating to devolution, including the LEP review and Levelling Up White Paper</p> <p>2. Support regional partners to secure and implement additional devolution to the region.</p>	<p>The LEP team has continued to contribute to the LEP review.</p> <p>We co-ordinated a submission to the Autumn Budget and Spending Review on behalf of the LEP and produced a briefing document on key announcements for the Board.</p> <p>The SPA team continues to monitor announcements on the Levelling Up Fund and Community Renewal Fund and prepare for the publication of the Levelling Up White Paper. The Board will receive this additional information at its meeting.</p>	Paul Carbert	G	In Progress
<p>EU Exit Through the EU Exit Implementation Group, we will:</p> <p>1. Continue to monitor the impact of new trade arrangements with the EU and report intelligence and insights to government and the LEP team</p> <p>2. Work with the group and sector representatives, produce a report on the impact of EU Exit on key North East sectors</p> <p>3. Provide a platform for joint consideration of future internationalisation approaches for the North East in the context of new trade deals and international policy</p> <p>4. Update the evidence base with latest data about the opportunities and challenges for businesses and sectors</p> <p>5. Identify opportunities and challenges arising from post-EU Exit domestic policy and co-ordinate regional response as required.</p> <p>Focus areas to include the labour market, funding and regulation.</p>	<p>The EU Exit Implementation Group continues to meet monthly.</p> <p>Discussions at recent meetings have focused on rising prices of freight, skills shortages in the logistics sector and the wider economy, the latest export statistics, and business preparations for the introduction of import controls on goods from the EU next year.</p> <p>The Group discussed the impact of EU Exit with an external speaker representing the construction and energy sector, and the food and drink and manufacturing sectors will be represented at future meetings.</p> <p>Work is ongoing to produce a report updating the evidence base on the impact of EU Exit on key North East sectors.</p> <p>We submitted a response to the Migration Advisory Committee's call for evidence on the impact of the end of free movement on the adult social care workforce, following consultation with the EU Exit Group and the North East Association of Directors of Adult Social Services.</p>	Paul Carbert	G	In Progress
<p>Northern Powerhouse</p> <p>1. Through the Northern Powerhouse Co-ordination Group ensure that there is a regional response to the development of the Northern Powerhouse agenda across transport, economic development, energy and intelligence workstreams</p> <p>2. Co-ordinate North East LEP engagement with the NP11</p> <p>3. 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.</p>	<p>The Northern Powerhouse Co-ordination Group met in October to discuss submissions to the Autumn Budget and Spending Review, and recent pan-Northern activity in LEP programme areas.</p> <p>We co-ordinated a meeting in November to discuss the formation of a Northern Evidence Network, with representation from Transport for the North, the NP11, and Northern LEPs. This group also discussed preparations for the refresh of the Northern Powerhouse Independent Economic Review.</p>	Paul Carbert	G	In Progress

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
<p>New strategy projects</p> <ol style="list-style-type: none"> 1. Continue to scan the environment for the North East region and the LEP, and determine approaches to identified opportunities and challenges 2. Monitor development of planning policy and the work of the National Infrastructure Commission to identify issues and opportunities for the North East 3. Develop a proposal for a mapping tool utilising GIS systems across the region to strengthen tools supporting development 4. Develop and deliver an Advanced Manufacturing strategy 5. Continue to support tourism partners to develop a strategic approach to recovery and future growth and development of the sector, including: <ol style="list-style-type: none"> a) The development of a statement of intent b) Responding to the review of Destination Management Organisations c) Prepare for a future sector vision and possible Action Zone 6. Develop a framework for North East LEP action to address inclusion and inequality in the region 7. 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. 	<p>Tourism Work continues to develop following agreement of the Statement of Intent. North East DMO's have been part of a joint letter to the new Secretary of State to emphasise support for the full implementation of the review of Destination Management Organisations. The three DMO's are now working with the North East LEP to identify practical actions which can take forward the statement of intent including on skills, events and regional support for the Durham City of Culture bid. The group is also preparing a proposal for a group of regional products which can enhance the scale and quality of the offer from the region building on the work done for the Tourism Action Zone bid.</p> <p>Advanced Manufacturing Detailed work on the delivery of the Advanced Manufacturing strategy is underway with a full review of evidence and being developed 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</p> <p>Economic Prospects Group The Economic prospects group convened by the North East LEP and chaired by the Bank of England continues to meet and shares information and data. The latest meeting on 17th November looked at latest macro-economic data including the OBR analysis which preceded the budget and the Bank of England Monetary Policy Committee report.</p> <p>Cabinet Office Geo-spatial strategy Work on the National Underground Asset Assessment 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 understanding of the region's underground infrastructure, helping to strengthen co-ordination of development and manage disruption.</p>	Richard Baker	G	In Progress
<p>LEP public policy actions</p> <ol style="list-style-type: none"> 1. Continue to brief the LEP Board on future policy priorities 2. Further develop the approach to public policy set down in March 2021 following the outcome of LEP review process 3. Complete stakeholder mapping exercise and identify priority audiences for public policy messaging. 	<p>The LEP's senior management team has discussed the inclusive economy agenda and the actions needed to take forward a review of North East data and evidence on excluded communities.</p> <p>Work is ongoing to co-ordinate stakeholder engagement across the LEP with Government departments and key civil service contacts, and to review national policy developments that affect LEP strategies.</p>	Paul Carbert	G	In Progress
Co-ordinating corporate and regional strategy development				

Key deliverables: April 2021-March 2022	Progress update and current position	Lead	RAG Status	Progress Status
<p>Work with the Board to agree a strategic approach to future regional economic strategy development including:</p> <ol style="list-style-type: none"> 1. Baseline and updating the economic evidence base in preparation for an update of the North East Strategic Economic Plan and/or other strategic processes 2. Evaluate and implement the approach required at regional level to respond to Government's Plan for Growth 3. Prepare to support an Economic Review project in advance of any future devolution process 	<p>In addition to the launch of Our Economy 2021 on October 7th (see above) a number of additional papers are being worked on at present which will add to this analysis and be introduced into the SEP update process as agreed at the last North East LEP Board.</p> <p>Alongside analysis has been completed of the Spending Review and budget and our public affairs consultants are tracking key policy agendas following the Plan for Growth in areas including Levelling Up, Net Zero and internationalisation.</p>	Richard Baker	G	In Progress
<p>Support and co-ordinate activities which support the immediate and longer-term economic response to COVID-19 including:</p> <ol style="list-style-type: none"> 1. Continuing publication of the evidence base 2. Support for the actions derived from the COVID-19 Economic Response Group and the Economic Response Plan 3. Evaluate, and support discussion about, the impact of the COVID-19 Response Group to support future regional resilience. 	<p>The Covid 19 Economic Response Group has now been re-positioned as a Regional Economy Group, providing a point of discussion and co-ordination around economic development issues in the region.</p> <p>Recent meetings have discussed the emerging economic evidence base and the regions input to the Comprehensive Spending Review.</p> <p>A North East LEP submission commented on a number of specific proposals, including supporting the submissions of other regional partners</p>	Richard Baker	G	In Progress
<p>Support the alignment and development of strategic processes led by partners including the North East Transport Plan.</p>	<p>The Transport Plan has now been published and work continues to continue to publish transport and economic evidence base on the Evidence Hub.</p> <p>There is strong co-ordination across the region to secure the resources to deliver on key programmes.</p> <p>A number of implementation meetings around the plan have taken place.</p>	Richard Baker	G	Complete

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 between 20 September and 20 November 2021.

Strategic announcements and update

Autumn Budget

Lucy Winskell OBE, Chair of the North East LEP, gave her reaction to the Autumn Budget and Spending Review delivered by the Chancellor of the Exchequer, Rt Hon Rishi Sunak MP. Her full statement can be read [here](#).

LEP Review

The ways in which the North East LEP is working with government on the ongoing LEP review were laid out in a blog post by Helen Golightly OBE, Chief Executive Officer of the North East LEP which can be read [here](#).

Planet Mark Zero Carbon Tour

The region welcomed the Planet Mark Zero Carbon Tour on 22 October and the event was promoted to businesses via radio advertising, paid and organic social media content and public relations. Speakers at the event included Lucy Winskell OBE, Chair of the North East LEP and Jonathan Withey, Director of Planet Mark, while North East business and energy sector representatives gave details of their work to back the drive to net zero. Coverage was generated on business-live.co.uk and on Global Radio. Post event content was also shared via the LEP's social media channels.

Our Economy

Following the annual Our Economy event, the North East LEP published two new reports, one an annual state of the region report and the other exploring the impact of COVID-19 and EU Exit on the North East economy. A short film of Policy and Strategy Director Richard Baker's presentation of the findings was published online along with the reports, and businesses were encouraged to attend the Our Economy event through a news release, social media content, event listings and e-communications. The reports are available on the [North East Evidence Hub](#).

ONS regional labour market statistics

The North East LEP issued a response to the ONS regional labour market statistics with Strategy and Policy Director, Richard Baker, saying: "We're now starting to see the shape of the labour market in the region as the economy moves out of Covid-related restrictions and support. The overall picture in today's figures is of a labour market which is in recovery, but with a changed structure since early 2020." The full statement can be seen [here](#).

Skills, employment, inclusion and progression

Enterprise Advisers

The monthly column in Northern Insight magazine was used to highlight the opportunity for more business leaders to join the Enterprise Adviser programme, helping to bridge the gap between education and industry. Read Michelle Rainbow's article [here](#).

A communications campaign is also launching in November to attract more business leaders to join the Enterprise Adviser Network. It will include paid and organic social media, as well as a toolkit for existing Enterprise Advisers to promote the Network through their channels.

Digital exclusion

The publication of a report highlighting the impact digital exclusion in the North East LEP area on people's ability to access education, skills and employment was supported with a [blog from Skills Director, Michelle Rainbow](#). Coverage was also generated in chroniclelive.co.uk.

The role of universities in local and national recovery

An article by Newcastle University's Vice Chancellor, Professor Chris Day, was shared to highlight the role universities are playing in the recovery from the impact of COVID. Read his article [here](#).

Career Mark accreditation

The achievements of North East schools which have received Career Mark accreditation were celebrated through a series of case studies, accompanying social media content and a news story.

Work Experience Framework

The Work Experience Framework has been updated over the past month to include additional modules, videos and activities. This page will be monitored monthly to track the success of the Framework. The Framework can be viewed [here](#).

Sector skills toolkits

Toolkits have been created over the past month to support secondary school teachers to link careers in the North East Energy sector to the Maths, English, and Science KS3 and KS4 curriculum. This toolkit is the first sector toolkit to be created, with the aim to develop further toolkits in all leading sectors in the North East. The [toolkit can be viewed here](#). Engagement will be monitored monthly.

ETF Fund launch

A £2 million programme has been launched which will help connect disadvantaged young people in the North East with the right education and skills. [Read the article here](#).

Love our Colleges Week

A social campaign to support the Love our Colleges week initiative was developed and published over a week in October. The campaign received some good engagement and an evaluation of this will be completed in November.

Business and sector growth

Peer Networks

E-communications, online display advertising and LinkedIn advertising was used to drive applications to the Peer Networks programme, including the new Net Zero Peer Network. Partner organisations including the North East Automotive Alliance, NEPIC, NewcastleGateshead Initiative and Innovation SuperNetwork also included information about the Peer Networks programme in their e-newsletters.

A once in a generation opportunity to modernise business support

North East LEP Business and Sector Growth Director, Colin Bell, explained why evolution is key to simplifying the business support landscape to be meaningful for businesses. Colin's blog post can be read [here](#).

Scaleup survey

North East businesses were encouraged to contribute to the Scaleup Institute's Scaleup survey through social media and e-communications.

Help to Grow

The North East LEP continues to promote both Help to Grow: Management and Help to Grow: Digital. The LEP is working closely with Northumbria University on Help to Grow: Management and a campaign will take place in December/January to promote the cohorts in 2022. Activity will include e-newsletters, social media and paid activity with Bdaily.

Made Smarter Adoption North East

The North East LEP continues to promote Made Smarter Adoption North East via e-newsletters, social media and partner communication platforms.

North East Energy Catalyst

The work of the North East Energy Catalyst and the region's energy sector in leading the way with new energy innovations was demonstrated through a new video which has been published online, shared with partners and via social media and e-communications. Watch the film [here](#).

Two new members of the North East Energy Catalyst - The Port of Tyne and Equinor - were also announced via a news release which can be seen [here](#).

Community Energy study

The publication of a study into what would enable the successful development and delivery of more community energy projects in the North East LEP area was supported by the publication of a [blog post by Andrew Clark](#). The study was published on the North East Evidence Hub.

Innovation

Innovation Director, Alan Welby, gave his reaction to the Chancellor's plans for the UK to be the world's first net zero aligned financial centre. The article can be read [here](#).

Community Renewal Fund (CRF)

The North East LEP was successful in two of its bids into the CRF, one with Sunderland City Council and one with Gateshead Council.

Overall, the Future Markets Acceleration Programme has been awarded £327,030 from the Community Renewal Fund for projects across Gateshead and Sunderland. The programme will enable organisations to understand, access and capitalise on market opportunities.

A press release has been drafted announcing the funding. Further communications activity will be 'internal communications' ensuring the organisations involved benefit from shared learning and adhere to brand guidelines etc. External communications will happen after the programme has completed to convey results, learning and next steps.

Funding

VCSE Capital Grant programme

A rolling programme of communications highlighting the outcomes of projects funded by the VCSE Capital Grant programme began. Liaison with funded projects' communications teams resulted in the inclusion of quotes from the North East LEP in news releases, and the amplification of projects through social media.

Local Growth Fund

The ongoing promotion of the LEP's role in delivering the Local Growth Fund has continued. There was significant media coverage around IAMP in Sunderland/South Tyneside, and the news [all developable land on the first phase has been allocated](#). There was also widespread media coverage about the news a £50 million expansion at NETPark expansion had been given the green light. A lot of the coverage included a quote from [Andrew Moffat CBE, Chair of the North East LEP Investment Board](#).

Getting Building Fund

The ongoing promotion of the LEP's role in delivering the Getting Building Fund has continued. News about the Customer Energy Village at Northern Gas Network's InTEGREL research facility will be released to media soon. The news release includes a quote from Andrew Moffat CBE, Chair of the North East LEP Investment Board. We are also working with ORE Catapult on the next phase of its Robotics and Autonomous Systems Test & Validation Centre, which will include a 'ground breaking' event.

Enterprise Zones

[Media coverage](#) has been secured about the infrastructure work beginning on Phase 1 on Ashwood Business Park. All coverage included a quote from Andrew Moffat CBE, Chair of the North East LEP Investment Board. There was also [widespread media coverage](#) about JDR Cable Systems' announcement that it plans to open a base on the NEP1 Enterprise Zone

Institute of Economic Development

Ray Browning, Programme Manager at the LEP, [drafted a blog](#) for the Institute of Economic Development website discussing the LGF-funded Energy for Growth programme and its role in supporting net zero.

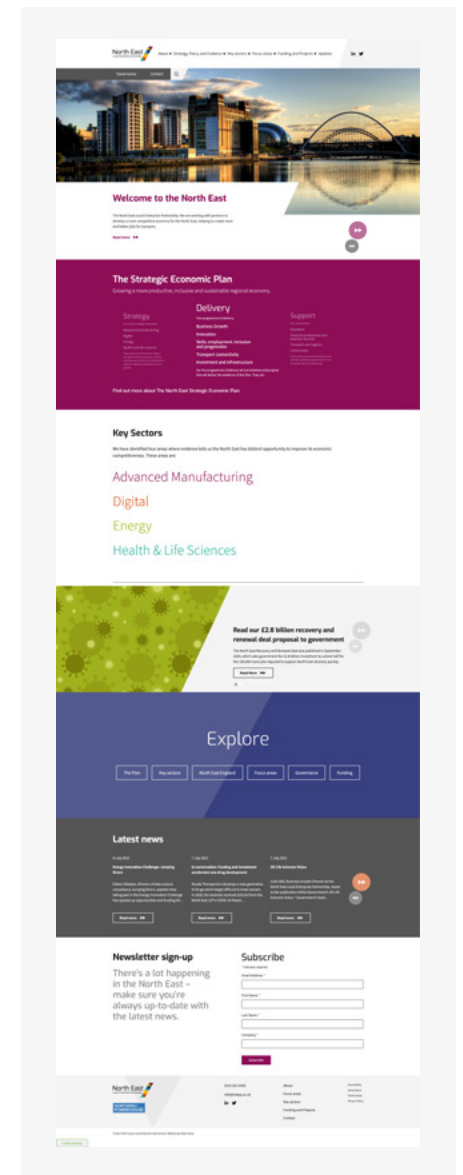
North East LEP website performance summary: 1st September - 31 October 2021

Audience		
Visitors	9,958	(+12.84%)
Total page views	49,981	(-3.91%)
Average session duration	1.27	(-14.21%)

Traffic source	views
Organic	5,037
Direct	3,888
Email	211
Social	370
Referral	655

Top five news pages	views
The importance of good school governance	1,471
New report highlights impact of digital exclusion on access to education and employment in the North East	568
Helen Golightly OBE, Chief Executive Officer of the North East LEP, explains how and why we are working with government on the ongoing LEP review	318
New reports on North East economy reveal impact of COVID-19 and EU Exit	250
Port of Tyne and Equinor announced as new North East Energy Catalyst partners	234

Top five pages	views
Home	6,631
Kickstart Opportunities	4,173
Executive Team	2,352
About Us	1,334
Kickstart Scheme	1,306



Social media

	Total followers	Impressions
Twitter	12,750 (+1.1%)	99,441
LinkedIn	9,221 (+2.6%)	45,623

Top performing LEPs on Twitter:			
1. North East LEP	2. Leeds LEP	3. Liverpool LEP	4. Black Country LEP
12,750	11,582	10,256	9,400

Best performing organic posts: Twitter



@northeastlep
Thu 9/16/2021 11:49 am BST

A new report commissioned by the LEP's **#Skills** Advisory Panel (SAP) highlights the impact digital exclusion in the North Eas...

clusion in the North East LEP Area

l exclusion has negative impacts
agement with learning, access
ources, quality of work, education
nes and progression into work

Impressions
5,184

Impressions	Engagement	Clicks
5,184	113	20



@northeastlep
Mon 9/20/2021 8:55 am BST

We're supporting **@InspiringGov's** campaign to recruit 5,000 new school/college governors. Find out more...

Impressions
3,894

Impressions	Engagement	Clicks
3,894	70	15



@northeastlep
Thu 9/9/2021 3:50 pm BST

The entrants in the **@NEEChamber** Small Business of the Year Award were all amazing with incredible stories. In the end, **@Nirvana_Europe** and their innovativeness, resilience and entrepreneurial spirit won our vote. Congratulations to them and to all of the finalists 🌟


Impressions
2,820

Impressions	Engagement	Clicks
2,820	29	0

Social media

Best performing organic posts: Twitter




 **@northeastlep**
Mon 10/18/2021 8:55 am BST

As part of **#LoveOurColleges Week**, we'll be showcasing our amazing **#NorthEast** colleges and their inspiring and innovative ways they support students, staff and communities. **@AoC_Info**
#CollegesWeek
#moreandbetterjobs

A

Impressions **2,431**



 **@northeastlep**
Mon 10/25/2021 1:58 pm BST

Our **#EducationChallenge** regional lead **@mrnawillis** talks about the benefits of being a school governor. Read more and...


Supporting staff to volunteer as governors has benefits that are much wider than addressing a corporate social responsibility commitment – it's a really fulfilling, professional development opportunity.

LLIS
NORTH EAST LOCAL ENTERPRISE PARTNERSHIP
SCHOOL GOVERNOR

How to become a school governor: inspiringgovernance.org/volunteering

Impressions **2,198**



 **@northeastlep**
Tue 10/19/2021 7:09 pm BST

We work with an amazing group of **#FE** career leaders across the region, including **@RBurnCreativeIn**, who was recently...

Impressions **2,182**

Impressions	Engagement	Clicks
2,431	68	0

Impressions	Engagement	Clicks
2,198	49	2

Impressions	Engagement	Clicks
2,192	83	3


Social media

Best performing organic posts: LinkedIn

in₁

North East Local Enterpris...
Mon 10/25/2021 12:14 pm BST

Thank you to all the speakers that joined us for The Planet Mark #ZeroCarbonTour at Newcastle Helix on Friday. If you'd like to...



Impressions **3,874**


Impressions	Engagement	Clicks
3,874	311	235

in₂

North East Local Enterpris...
Tue 9/28/2021 11:43 am BST

"It is excellent news that JDR Cable Systems has chosen the NEP1 Enterprise Zone site as the location for their new...

170-job hopes as JDR Cable Syst...



Impressions **2,777**


Impressions	Engagement	Clicks
2,777	128	37

in₃

North East Local Enterpris...
Wed 10/27/2021 12:00 pm BST

The North East LEP's investment in the International Advanced Manufacturing Park (#IAMP) through the #LocalGrowthFund...

Major step forward for new 7,00...



Impressions **2,145**

Impressions	Engagement	Clicks
2,145	101	55

Priorities for the next two months

1. Plan , implement and progress the annual corporate document process - including and update of the SEP Executive Summary
2. Develop a strategic forward development and content plan for the North East Evidence Hub
3. Develop the strategic approach to communications for the energy programme
4. Advise on communications positioning around the innovation programmes future and emmergent markets projects

Forward plan of content

Topic	Description	Type	Estimated date of issue
Corporate			
Podcast	Introduction of a LEP podcast discussing issues relevant to our strategic economic plan	• Podcast and supporting social media	Activity to begin January 2022 for an initial six months
Corporate document process	Deliver updated SEP exec summary, annual delivery plan, progress review and annual review	• Document drafting and publication	Jan - March 2022
AGM	North East Local Enterprise Partnership Annual General Meeting	• Online event • Social media • Media relations • Owned media	December 2021 - January 2022
Business and sector growth			
Growth Hub positioning	Positioning campaign to demonstrate that the Growth Hub is more than just a website.	• Campaign	November 2021 - February 2022
Peer Networks	Recruitment of four cohorts pre-Christmas Production of case studies to illustrate benefits of joining	• Campaign • Case studies	December 2021
Help to Grow: Management and Help to Grow: Digital	Support recruitment of future Help to Grow: Management cohorts and support registrations for Help to Grow: Digital	• Campaigns - including e-newsletters, social media, media relations, stakeholder comms	December 2021 - January 2022
Made Smarter Adoption North East	Continued promotion of the programme to generate EOIs	• Social media • Partner communications • Enewsletters	December 2021 - January 2022

North East Growth Hub toolkits	Refresh of content across all toolkits	• Content development	December 2021 - new year
Inclusion Pilot	Supporting communications for inclusion pilot	• News release • Blog post	November - December 2021
Energy for Growth	Production of case studies on Energy for Growth-funded projects	• Case studies	December 2021
Energy sector event	Preparation of supporting comms for event	• TBC	December 2021 - February 2022
Health and Life Sciences	Continued promotion of case studies and regional successes	• Website articles • Social media • Partner amplification	December 2021 - February 2022
Innovation			
Future Markets Accelerator Programme	Internal communications with project partners	• Web page • E-newsletters • Information pack	December 2021 - February 2022
Emergent Markets study	Develop plan for communication of results to different audiences	• Web page development • Content development	December 2021 - January 2022
Innovation toolkit	Rolling programme of new articles and content supported with paid for advertising	• Content development • Social media	December 2021 - February 2022
Innovation overview	Introduction of a podcast with Innovation Director chatting to trailblazers/thought leaders about their journeys and vision for future of innovation in the region	• Podcast • Supporting social media	To commence in January 2022 and run initially for six month

Skills, employment, inclusion and progression

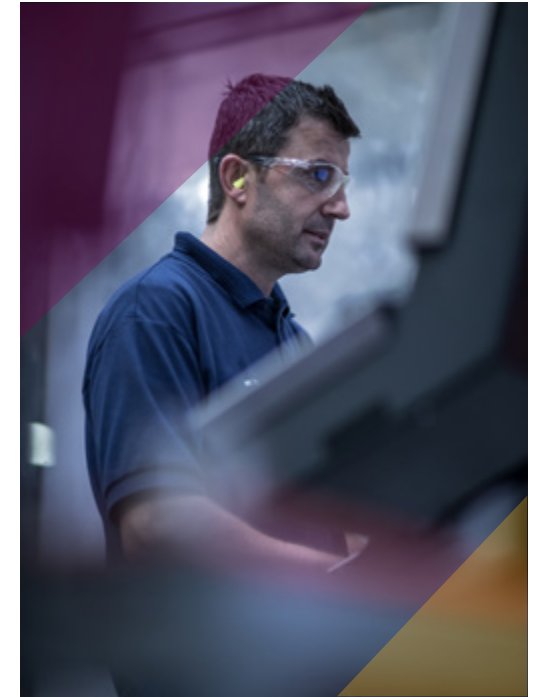
Northern Insight magazine	Use of monthly page to highlight skills, employment, inclusion and progression programmes	• Advertorial	Monthly
Primary Pilot evaluation	Publication of year 2 evaluation report	• Social content • Exec summary	• News release • Blog November 2021
Technical education	Campaign to showcase the benefits and opportunities that studying a higher technical qualification can open up	• New toolkit content • Campaign to be developed	September 2021 - February 2022
Good Work Report	Publish Good Work report, together with Durham Uni	• News release and social campaign plan	November
EA recruitment campaign	Launch recruitment campaign	• Google, Social, newsletters and release	December 2021 - January 2022

Investment

VCSE funding	Rolling communications plan highlighting outcomes of funded projects	• Social content	• Media relations Ongoing
Getting Building Fund	Rolling communications plan highlighting funded projects, including key milestones	• Social content	• Media relations Ongoing
Local Growth Fund	Rolling communications plan highlighting funded projects, including key milestones	• Social content	• Media relations Ongoing

Please note, where content is owned as oppose to media relations, audience profiles are in place to ensure the content is targeted at the most relevant audiences as well as the LEP's general followers.

Any feedback on input into our content plan, please email jen.robson@nelep.co.uk



North East LEP

 info@nelep.co.uk  0191 561 5420  nelep.co.uk

 [@northeastlep](https://twitter.com/northeastlep)  [/company/north-east-lep](https://www.linkedin.com/company/north-east-lep)

 1 St James Gate, Newcastle upon Tyne, NE1 4AD



Item 6 - Innovation Overview

Overview and Priorities for 2022



1

Comparative performance of North East economy

(Ref: Our Economy 2021)

Productivity	
North East LEP GVA per hour = 92.5% of England excl London rate	
North East LEP £30.81	England excl. London £33.31

Business	
North East LEP 329 businesses per 10k adults	This is just 68% of the England excl London rate



2

Comparative performance of North East economy (Ref: Our Economy 2021)

Businesses and jobs

North East LEP 329 per 10k adults vs. 483 per 10k adults England excl London

If performance matched England excl London, we would have:

**25,565 additional
businesses**

**61,300 additional
jobs**

3

Innovation Vision and aims

Vision

To build a more competitive and productive economy through increased innovation activity and increased investment in innovation in the North East by 2030

Aim 1

To increase innovation activity across the North East by 2030

Aim 2

To increase investment in to R&D and innovation in the North East from the private, public and university sectors by 2030

4

SEP Evaluation – performance against objectives

PoD	Objectives	Target	Baseline	Actual	Source	RAG
Innovation	Increase the proportion of 'innovation active' businesses	Higher than baseline ⁵	56% (2014)	41% (2019)	UKIS	Red
	Reduce the gap in average business expenditure on R&D between the North East ⁶ and the UK	Reduction of 50%	£3.98m (2014)	22% increase (2019)	ONS	Red
	Increase investment in business R&D as a proportion of GVA	50% increase from baseline	0.6% (2014)	0.8%, 33% increase (2019)	ONS	Amber
	Increase the share of per-capita government expenditure on R&D secured by the North East ⁶	Higher than baseline	£0.11m (2014)	£0.27m (2019)	ONS	Green
	Increase total R&D investment as a proportion of GVA	2.4% (by 2027)	1.1% (2014)	1.4% (2019)	ONS	Amber

5

Innovation Challenges

Falling levels of Innovation active businesses:

- North East LEP: 41% (2016-18)
 - This is a 14 percentage point decrease since baseline 2012-14
 - National trends is also downwards (38% in England exc London) (2016-18)
 - Compares favourably to 34% North East region (incl TV) (2016-18)

Expenditure on research and development (R&D)

- Region's expenditure on R&D = 1.34% of GVA (2019), up from 1.12% in 2014
- Compares to 2.25% England exc London; lowest of the nine English regions (similar to YH & Lon)
- Business expenditure on R&D is £1.9m per 10,000 adults (2019)
 - Compares to £5.3m per 10k adults in England exc London (2019)

The North East has lower business birth rates (46 per 10k adults, 2020-21) and lower business death rates (41 per 10k adults, 2020-21) than the Engl excl London averages (66 per 10k and 58per 10k respectively) and lower than all comparator regions

6

National Community Innovation Survey, North East region (i.e. includes Tees Valley LEP) (2016-18)

Businesses are most likely to invest in

- *internal R&D* (as opposed to acquisition of external R&D)
- acquiring *equipment, machinery and computer soft / hardware* (as opposed to acquisition of external knowledge or training for innovation activities)

17% of businesses exported (down 5% points) - Innovators are more likely to export than non-innovators

- 5 most significant barriers to innovation for SMEs in North East region
 - Lack of qualified personnel (21% of SMEs identified this as highly important)
 - Uncertain demand for innovative goods/services (20% of SMEs)
 - Availability of finance (19%)
 - Direct innovation cost is too high (17%)
 - Market already dominated by others (17%)

Levelling up innovation performance in the North East

- Innovative economies are more productive and therefore make a stronger contribution to GVA than companies that are slow to innovate.
- Innovation is also a driver of competitiveness
- Need to increase the number of innovation-led businesses
- **Fundamental to a step change of our economic future**
- Without addressing this the region will continue to lag behind
- Increasingly important Post Covid/ Brexit / rapid technological change
- Private sector led
- But there a case for public sector intervention to accelerate activity
 - Programmes of scale anchored by key institutions and networks

Innovation KPIs

Vision

To build a more competitive and productive North East economy through increased innovation activity and increased investment in innovation

Aim 1

To increase innovation activity across the region by 2030

Aim 2

To increase investment, both from the private and public sectors, into R&D and innovation in the region by 2030

Objective 1
Increase the proportion of innovation active businesses to match the England excluding London level by 2030

Objective 2
Increase the number of patents granted each year (per million adults) to 55 by 2030

Objective 3
Increase the percentage of businesses that are engaged in process innovation to 15% by 2030 from 12.2% in 2018

Objective 4
Increase the percentage of businesses that are engaged in wider innovation to match the England excluding London level by 2030

Objective 5
Increase R&D investment to 2.4% of GVA by 2030

Objective 6
Reduce the gap in business expenditure on R&D against the UK average by 25% from the gap in 2018, by 2030

Objective 7
Increase the share of UK government expenditure on R&D per capita to the UK average by 2030

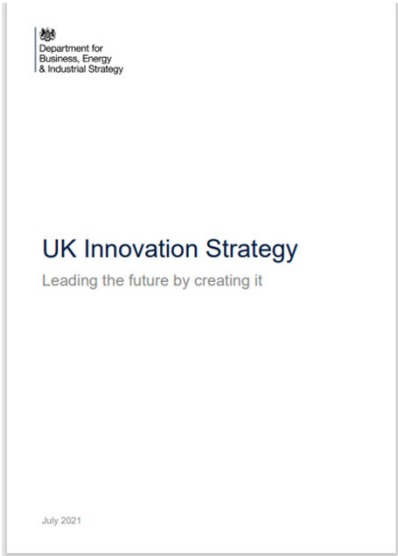
Objective 8
Increase Higher Education expenditure on R&D to match the England excluding London level by 2030

Partnership • @northeastlep • #moreandbetterjobs

9

What levers can we use?

- Evolving landscape
- Key priority of Build back Better
- Innovation Strategy July 2021 - the UK a global hub for innovation by 2035
- Budget 2021 pledges to increase spending on R&D by £20bn per annum
- Outlines the why but not the how
- Strong role for national agencies
 - UKRI / Innovate UK / British Business Bank
- Levelling Up white paper
- Regional Delivery partners are in the dark
- Shared Prosperity Fund



UK Innovation Strategy
Leading the future by creating it

July 2021



10

Worst case scenario

- Highly centralised model for business support
 - Focusses on “businesses who want to innovate”
- National level competitions
 - Focus on public/private co-investment model
 - This is challenging given the nature of our economy
- Regional funding landscape fragmented within national selection approach
 - Community Renewal Fund
 - Localised delivery
 - Lack of strategic framework
 - Multitude of pet projects
 - Confusing and unaligned programmes
 - Losing out to larger combined authority areas
- North East at the back of queue for an Innovation Deal

Priorities for 2022

1. Pipeline of “Oven ready” projects
2. Co-ordination of regional programmes ready for SPF
3. Refresh strategic framework
4. Emergent markets study and roll out of IDPs
5. Pilot Project delivery

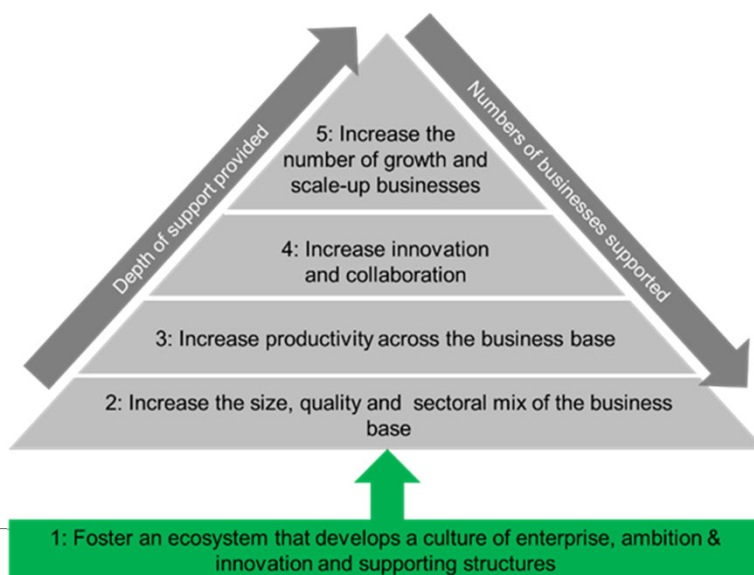
1. Pipeline of Oven ready projects

Number	Project Name	Leading organisation	Business Case Stage
Priority Pipeline Projects - ASSIST into delivery		Regional innovation projects with s	
52	North East Space Hub (NESH), and Disruptive Innovation Space Capabilities (DISC)	Satellite Applications Catapult	Outline
43	Next generation blade testing	ORE Catapult	Outline
53	Venture North Fund	Northstar Ventures	Full
23	Centre for Innovative Battery Materials development (CIBM)	CPI	Outline
10	Northern Accelerator	Durham University	Full
37	Accelerating the Circular Economy Open Innovation (ACE OI) Hub	Proctor and Gamble	Scoping
35	Immex City	Gateshead Council	Outline
51	Next Generation drivetrain testing and validation	ORE Catapult	Outline
31	Biosphere Phase Two	Newcastle Council	Outline



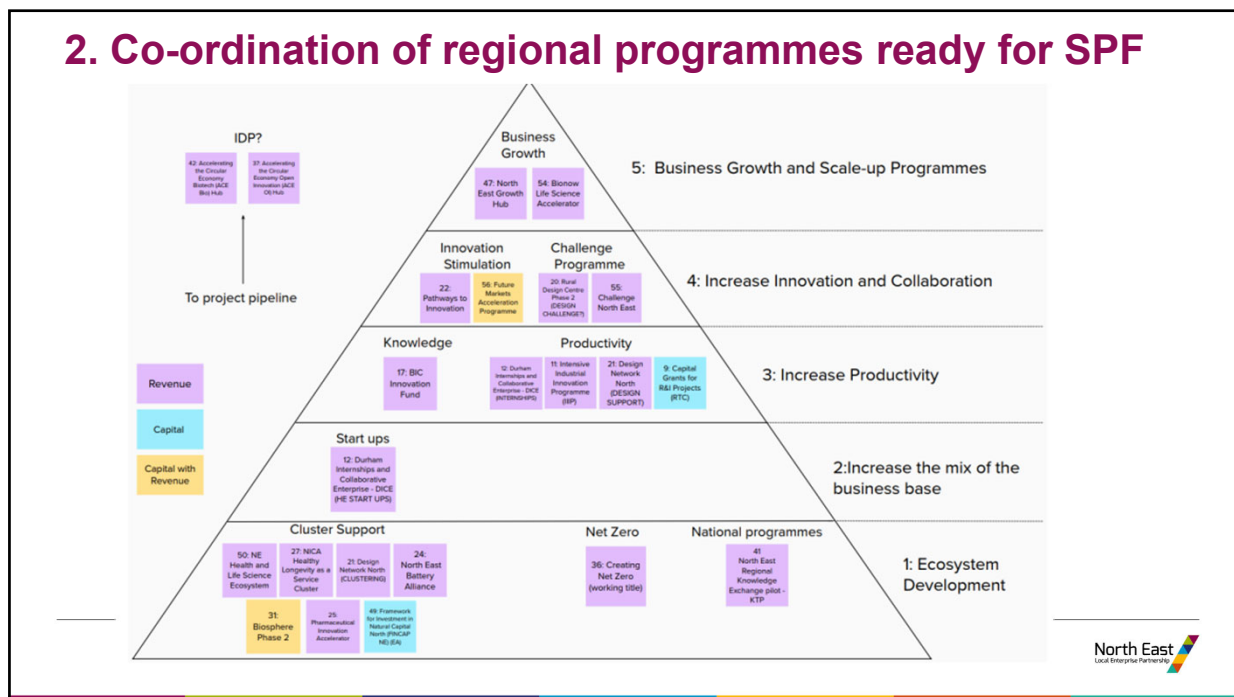
13

2. Co-ordination of regional programmes ready for SPF



14

2. Co-ordination of regional programmes ready for SPF



15

3. Strategic framework refresh

1. Interpreting the UK innovation strategy into the region
2. Framework for priority focus to inform Local Authority / Combined Authority project selection and co-ordination
3. Increasing engagement with national agencies
 - Joint delivery models
 - Lobbying for “oven ready projects”
4. Support a North East innovation deal

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3. Strategic framework refresh

1. Interpreting the UK innovation strategy into the region
2. Framework for priority focus to inform Local Authority / Combined Authority project selection and co-ordination
3. Increasing engagement with national agencies
 - Joint delivery models
 - Lobbying for “oven ready projects”
4. Support a North East innovation deal

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4. Emergent markets study and roll out of IDPs

FinTech/ InsurTech	Research Services	Financial Services	Connected Living
Bio Pharmaceuticals	Payment Processing	Data Processing	Environmental Services
Blockchain Solutions	Software Development	Energy Storage	Autonomous Vehicles/ Electric Vehicles
Data Analytics	Healthcare Services	5G Equipment and Services	Smart Logistics
Internet of Things	Electricity Generation	Cybersecurity	Smart Grids
Cloud Computing	Robotics & Drones	3D Printing	E-commerce
Immersive Tech	Space	Agri-Tech	Sharing Economy
Tele Medicine	Nano Technology		

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Innovation Delivery Partnerships	
Pathfinder IDPs	Lead partner
Battery Materials	CPI
International Centre for Connected Construction (IC3)	Northumbria University
Immersive Technologies	Gateshead Council/Sunderland Software City/Digital Catapult NETV
North East Drives	Newcastle University/North East Automotive Alliance
Ageing Innovation	Newcastle University
Space Hub	Business Durham
Robotisation Alliance	Offshore Renewable Energy Catapult
Development IDPs	Lead Partner
Cybersecurity	Dynamo North East
FinTech	Dynamo North East
Surface and Interfaces	Durham University
Water Resource Management (The Water Hub)	The Environment Agency

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5. Pilot Project delivery

1. Future markets Community Renewal Fund programme

- £320k programme of support in Gateshead and Sunderland
- 6 months programme delivered with IDPs and partners
- Inform Shared Prosperity Fund

2. Challenge North Tyne

- £800k programme to support business to business challenge activity
- Mobilises businesses to provide solutions to key challenges in Ageing, 5G and Net Zero arenas
- To NOTCA investment panel

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

Date: 2 December 2021

Item 7: Digital exclusion

1.0 Background

- 1.1 In today's world, digital skills are becoming increasingly important. They can connect people to education and training, better jobs, social interaction, and public services as well as providing access to cheaper products and services online.
- 1.2 Digital exclusion, where people lack digital skills, connectivity and accessibility, has been recognised as a problem for several years. However, the challenges have been exacerbated by Covid-19, where access to the internet and digital devices has been vital for accessing goods and services and maintaining social contact.
- 1.3 With increasing aspects of life taking place online, a strategic regional approach to tackling digital exclusion is required to reverse the increasing digital divide.

2.0 Research

- 2.1 In March 2021, the North East Local Enterprise Partnership (North East LEP) and its Skills Advisory Panel (SAP) commissioned New Skills Consulting to undertake research into the nature and extent of digital exclusion in the North East focussing primarily on the economic and skills-related impacts of digital exclusion.
- 2.2 The following key research tasks were undertaken to inform the report.
- Comprehensive review of current data, reports, and policy documents
 - Mapping and gapping of current solutions and interventions
 - Consultation with 45 colleagues from education, training and employment support
 - Survey with 30 schools and colleges from the North East LEP area.

3.0 Defining digital exclusion

- 3.1 There is no single, agreed definition of digital exclusion and rather than being an absolute term, it is a spectrum on which people experience different facets of exclusion to a greater or lesser extent. There is however broad consensus that the primary ways in which people experience digital exclusion are
- Devices – lack of access to adequate appropriate digital devices
 - Connectivity – lack of internet access due to poverty or unreliable service
 - Skills – lack of appropriate digital skills to enable engagement in learning or employment

- Confidence – lack of confidence in using digital devices and engaging with online services
- Resistance – some people do not want to develop digital skills or recognise the benefits of digital engagement.

Who is digitally excluded?

3.2 Different aspects of digital exclusion can affect a broad range of people. However, research shows that people from disadvantages and socially excluded groups are more likely to experience digital exclusion than others. This includes people who:

- Are older
- Are without a job
- Are on lower incomes
- Live in social housing
- Have disabilities
- Have lower qualifications or education
- Live in rural areas
- Are homeless
- Have a first language which is not English

Digital Exclusion in the North East

3.3 It is difficult to quantify the extent of digital exclusion in the North East because there is limited data available at regional or sub-regional level. Nevertheless, available data demonstrates that across all indicators of exclusion the North East is one of the worst affected in the UK as seen in the table below.

Indicator	North East	England Av.
Proportion of people offline	8%	5%
Proportion with low levels of digital engagement	32%	28%
Confidence in using the internet	83%	86%
Digital skills improvement during Covid-19 pandemic	23%	29%
Passive and uncommitted internet users	32%	20%

3.4 ONS data for 2020 indicates that in the North East, there are approximately 61,000 lapsed users (those who last used the internet more than three months ago) and 176,000 adults who have never used the internet.

3.5 Feedback gathered during the research also indicates that digital exclusion impacts learners across the North East, particularly in settings with a higher proportion of learners from disadvantaged backgrounds. The key barriers they face are lack access to appropriate devices, broadband connectivity and parental support.

- 3.6 Research undertaken prior to 2020 indicated that adult 'non-users' do not necessarily recognise 'digital exclusion', although this may have changed somewhat post pandemic when the shift to online and digital services became hugely prevalent.
- 3.7 Reasons for not using the internet are multifaceted and include concerns about privacy, internet safety or security, not knowing how to use the internet or not having the skills or equipment to do so, concerns about accidentally accessing harmful or illegal content, cost, perception that it was 'too late to learn'

Covid-19 and digital exclusion

- 3.8 Factors because of the impact from Covid-19 include:
- Lack of access to devices and connectivity was exacerbated by the closure of libraries and public IT suites.
 - The loss of learning during the pandemic has increased the gap between disadvantaged and non-disadvantaged learners
 - Many Job Seekers do not have access to appropriate devices for online training, job search and interview, i.e., they own a smart phone, but this is not an appropriate device for prolonged internet use.
 - For those who were already engaging 'reluctantly' in education or employment support, remote provision has made it easier to withdraw
 - Conversion rates from employment support into work has fallen and analysis demonstrated that clients with a lack of digital skills are increasingly excluded from the labour market.
 - The pandemic highlighted discrepancies between education settings in both the quality of digital infrastructure and the digital skills and knowledge of staff.

Covid-19 and opportunities

- 3.9 Whilst there has been impact because of the pandemic, it has created opportunities that include:
- It has focussed attention on digital exclusion, creating greater awareness and momentum to tackle the challenges
 - It has created impetus to accelerate digital adoption, which in most cases has improved the quality, efficiency, and flexibility of services
 - It has accelerated the improvement of employee digital skills and the upgrade of IT equipment and infrastructure
 - It has led to the creation of valuable online resources that can be accessed multiple times at any time
 - Digital provision has made it easier for some people to access services
 - Many learners and job seekers have improved their digital skills and increased their confidence in using digital technology

- Across education, training and employment support settings, it has raised awareness of the importance of digital skills for work.

Wider impacts of digital exclusion

- 3.10 Digital exclusion is having an impact on educational attainment and employment outcomes that is far wider than the immediate impacts of the pandemic
- It is creating challenges and widening the achievement gaps in education particularly for learners from more disadvantaged backgrounds
 - As well as impacting on academic performance and results, it impacts on progression into employment and access to good quality jobs
 - It increases the gaps for those furthest from the labour market
 - Many job seekers lack the devices, skills, and confidence to search and apply for jobs and complete online interviews
 - A lack of digital skills presents a major barrier to clients being able to secure work, even in lower skilled and entry level roles
 - The move up the career ladder from low-skill to high-skills roles comes with an increased demand for specific digital skills.

Employers and digital skills

- 3.11 According to research undertaken¹:
- 92% of businesses report digital skills are important for their employees
 - 82% of current online vacancies require digital skills
 - 28% of North East employers with skills gaps report digital skills need improving
 - 23% of businesses report their employees lack basic digital skills
- 3.12 According to the 2019 Employer Skills Survey 20% of North East employers with a skills shortage vacancy reported they found computer literacy or basic IT skills difficult to obtain from applicants, 26% reported they found advanced or specialist IT skills difficult to obtain.
- 3.13 Despite the importance of digital skills in the workplace, research indicates that employer investment in training in the UK is low compared to other advanced economies and that this has declined in recent years.
- 3.14 Research shows that many individuals recognise the need to improve their IT and digital skills to improve their employability and job prospects.

Current solutions and interventions

- 3.15 There are numerous projects, programmes and initiatives aimed at developing digital skills and providing access to digital equipment and infrastructure. The current approach to tackling digital exclusion is fragmented with initiatives at national, regional and local level, targeting different groups or challenges. It includes UK Government interventions as well as those delivered by the private sector, the education sector, and VCSE organisations.

¹ Wordskills UK, Learning and Work Institute DCMS, DfE Employer Skills Service

3.16 Key characteristics of the support landscape are: -

- It is complex and there is little co-ordination, with some initiatives overlapping and some gaps in provision
- There is often a lack of evidence or data to inform and shape the range of initiatives
- There is a broad range of fully funded digital skills provision ranging from short basic courses to full-time accredited courses.
- Much of the current provision is deemed to be not fit for purpose as it is quickly out of date and employers and clients prefer short, practical course delivered in an informal setting
- Research suggests a lack of awareness of the provision available and a lack of clarity on individual digital skills needs
- Some initiatives are a short-term response to the pandemic, but there is a requirement for a longer-term, more co-ordinated, and systemic approach.

4.0 Summary of key points and next steps

Summary of key points

4.1 To summarise:

- People from disadvantages backgrounds are disproportionately affected by the digital divide
- There is a lack of co-ordinated activity and no structural approach at a regional or national level and tackling the problem requires ownership
- There has been a loss of learning for students during the pandemic, particularly for disadvantages and less able pupils, which has further widened the disadvantage gap.
- More widely, digital exclusion, has negative impacts on engagement with learning, access to resources, quality of work, educational outcomes, and progress into employment.
- Early intervention and consistent approaches to digital skills development are needed to close the digital divide.
- Digital skills are increasingly essential for most jobs, even at entry level, however there is a lack of clarity about basic digital skills and no common framework to assess and develop these skills
- There is a need for shorter, more focussed interventions to develop practical skills for work or life, delivered in some cases in informal community settings.

Next steps

- #### 4.2
- Digital exclusion in the North East is a large and complex issue that requires intervention across many groups and communities, and a co-ordinated response from education, employers, VCSE and the public sector. Nevertheless, the recent momentum achieved towards digital inclusion during the pandemic offers a real opportunity to roll out success approaches more widely through the region to have

meaningful impact on reducing the digital divide. The research highlighted priority actions for tackling the economic and skills impacts of digital inclusion, some directly actionable regionally and others which will require lobbying and influencing with government and other stakeholders:

- Higher profile education and awareness activities
- Address the challenge of access to digital devices
- Address the two key connectivity challenges – affordability and rural access
- Develop a common framework for essential basic digital skills
- Advocate for short, practical courses delivered largely in accessible community-based settings
- Prioritise early invention and investment to develop functions digital skills from a young age
- Embed digital skills into the FE and HE curricula
- Map provision to employer needs and incentivise investment in the workforce.

4.3 The North LEP and other key stakeholders from the public, private, education and VCSE sectors have agreed a set of priorities to address these actions. Funding has been sourced to create a regional vision and action plan for digital inclusion and then to consider the mostly likely routes for opportunities to resource the activities (including private, public and voluntary sector funding).

5.0 Recommendation

5.1 The Board is recommended to:

- (i) note the content of the report
- (ii) receive further updates regarding the next steps and digital inclusion vision and action plan.

Date: 2 December 2021

Item 8: Autumn Budget and Spending Review

1.0 Background

- 1.1 The Chancellor of the Exchequer, the Rt Hon Rishi Sunak MP, presented the Autumn Budget and Spending Review (SR) to the House of Commons on 27 October 2021. This was the second fiscal event of 2021 and followed the Spring budget published on 3 March 2021.
- 1.2 The Spending Review sets the UK Government departments' resource and capital budgets for 2022/23 to 2024/25 (SR period), and the devolved administrations' block grants for the same period.
- 1.3 The appendix to this report includes a full briefing to the budget and Spending Review, summarising the key economic data produced by the Office of Budget Responsibility, reviews the main content of the budget and Spending Review and identifies specific announcements about the North East LEP area. It also provides commentary about detail which was included on future regional policy and funding issues.
- 1.4 Further detail has subsequently been provided by the Government about key investment decisions which were trailed in the budget and the annex attached provides additional information of interest to the Board.

2.0 Recommendations

- 2.1 The Board is recommended to receive and discuss this report on the Spending Review and budget and its implications for the North East, including the additional information included in the annex.

Annex: Key Post-Budget levelling up announcements

1. Community Renewal Fund

In the March budget, Government announced that £220m would be made available through the UK Community Renewal Fund (CRF) during 2021-22.

The prospectus which accompanied the announcement outlined that the CRF would help support local areas to pilot imaginative new approaches and programmes that unleash their potential, instil pride, and prepare them to take full advantage of the UK Shared Prosperity Fund when it launches in 2022.

Following the Autumn budget:

- Successful bids to the Community Renewal Fund (CRF) were announced on 3 November 2021. In total, 477 bids were approved across the UK, with a combined value of £203.1 million.
- The government stated that they will provide high-level feedback to unsuccessful bidders via lead authorities. There is no appeals process for unsuccessful bidders.
- Under the original timeline for the CRF, successful bids were due to be announced from late July 2021 onwards, with a mid-point review in November and December 2021, and a final deadline for delivering projects of 31 March 2021.
- In recognition of the delay, the government have amended the delivery timeline and projects will now have until the 30 June 2022 to deliver. This is meant to ensure that successful bidders still have 8 months to deliver their projects.
- The Department for Levelling Up, Housing and Communities (DLUHC) have published an explanatory note [here](#) on the decision making process.
- The number and value of successful bids are listed by region in the table below:

Region	No. of successful bids	Total funding	% of overall funding	% of England funding
North East	14	£7,718,301	3.8%	6.1%
North West	28	£12,115,147	6.0%	9.6%
Yorkshire and the Humber	28	£14,932,623	7.3%	11.9%
East Midlands	27	£15,826,955	7.8%	12.6%
West Midlands	34	£20,019,082	9.9%	15.9%
East of England	28	£16,498,537	8.1%	13.1%
London	6	£3,788,212	1.9%	3.0%
South East	23	£12,774,539	6.3%	10.2%
South West	37	£21,888,117	10.8%	17.4%
England	225	£125,561,514	61.8%	
Scotland	56	£18,428,681	9.1%	
Wales	165	£46,855,257	23.1%	
Northern Ireland	31	£12,362,975	6.1%	
North East LEP	12	£6,155,444	3.0%	4.9%

Northern Powerhouse	70	£34,766,072	17.1%	27.7%
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Successful bids from the North East LEP area are listed in the table below:

Lead Authority	Project Name	Total Value
Durham County Council	Emerging Markets Innovation Accelerator	£836,724
Gateshead Council	Future Markets Acceleration Programme	£130,812
Gateshead Council	FUTURE YOU	£748,616
Gateshead Council	Gateshead Riverside Partnership	£558,250
Gateshead Council	National Centre for Immersive Technologies (NCIT) Pilot Programme	£747,122
North of Tyne Combined Authority	Breaking Barriers through Digital Skills; A Pathway to Digital Employability for the North East	£808,008
North of Tyne Combined Authority	NEW START - Strengthening the North East's Foundational Economy through innovative employability measures	£730,944
Sunderland City Council	Community Renewal Grants	£514,566
Sunderland City Council	Future Markets Acceleration Programme	£196,218
Sunderland City Council	Innovate for Good	£533,867
Sunderland City Council	REACT	£146,316
Sunderland City Council	Strengthening the Sunderland Voluntary and Community Sector	£204,000

2. UK Shared Prosperity Fund

The Spending Review committed an allocation of £2.6 billion to the UK Shared Prosperity Fund (UKSPF) over the Spending Review period.

The table below highlights the amount allocated in each financial year to the UKSPF, Levelling Up Fund, and the DLUHC departmental budget, with figures taken from the Budget document.

The Budget committed £560 million of the UKSPF budget to the Multiply programme, 21% of the total budget over the SR period. Multiply will be a UK-wide adult numeracy programme, delivered through flexible courses and an online platform.

Departmental Budgets: £ billions

	Outturn 2019-20	Outturn 2020-21	Baseline 2021-22	Plans 2022-23	Plans 2023-24	Plans 2024-25
UKSPF				0.4	0.7	1.5
Levelling Up Fund			0.2	0.9	1.4	1.4
DLUHC Local Government	7.0	5.3	8.5	11.7	12.1	12.8
DLUHC Levelling Up, Housing and Communities	10.7	11.4	9.7	11.1	9.0	8.9

3. Freeports

Teesside Freeport formally began operations on 19 November 2021 ([press release](#)). The next two Freeports to become operational will be Thames and Humber. Maps of the tax sites within Teesside Freeport have been published [here](#), a map of the customs site is available [here](#).

4. LEP Review

Responding to the Business, Energy and Industrial Strategy Committee's report on [Post-pandemic economic growth: Industrial policy in the UK](#) on 23 September 2021, Amanda Solloway MP, then Minister for Science, Research and Innovation, said:

"The Government wants to review the role LEPs and local businesses play in driving local growth and supporting the local economy, and make sure they are fit for purpose as we build back better. The Government has set out its commitment to reviewing the future of LEPs as part of the upcoming Levelling Up White Paper."

5. Levelling Up White Paper

The Rt Hon Michael Gove MP, Secretary of State at the Department for Levelling Up, Housing and Communities, appeared before the Housing, Communities and Local Government Committee on Monday 8 November 2021.

- Asked to define levelling up, he said: *"In a sentence, it is making opportunity more equal across the country. It is based on an analysis, which I think is relatively widely shared, that while there are many good things about the United Kingdom and about England, one of the challenges or problems that we have is that, in the Prime Minister's phrase, while talent is spread equally across the country, opportunity is not. If we look just in geographical terms at our productivity, our economic strength and indeed some of our health and educational outcomes, there is a geographical inequality in the United Kingdom that needs to be addressed."*

- The Secretary of State referred to four elements that are critical for levelling up: helping to strengthen and improve local leadership; improving living standards, particularly where they are lower; improving the quality of public services, particularly where they are lagging; and helping to restore and enhance pride in place.
- On the timeline for the Levelling Up White Paper, he said: *“We hope to publish a White Paper before Christmas, and in it we anticipate setting out some particular missions by which the Government can be judged and some metrics by which we and others can be held to account.”*
- When asked whether the UK Shared Prosperity Fund would provide the same level of resources that would have been available if the UK had stayed in the EU, he said: *“There are many ways of assessing how UKSPF funding is being spent. There is a tail of EU project funding, which for obvious reasons is winding down. We then layer UKSPF money on top of that. If you take the two together, what you get overall is matching, and in some cases exceeding, the amount that we would have got had we carried on being in the EU with spending at that level.”*
- When asked to confirm whether deprived areas – objective 1 areas under the EU funding programme – would receive the same level of funding that they would have received within the EU, he said: *“There are specific commitments that we have made that neither Scotland, Wales, Northern Ireland nor Cornwall will receive any less for the lifetime of this Parliament than they would have received under EU funding. There are other ways in which we can deploy funds and tools to support different parts of the United Kingdom and different parts of England. The overall manifesto commitments were to continue funding at the same level as the EU would have and in particular to continue funding in those four parts of the United Kingdom.”*

“The overall sum that we will spend is exactly the same, if not slightly more, than it would have been had we been in the EU. Those four areas have geographical protection. Within the rest of England, of course we can make a judgment about which areas are most in need of that funding. Part of taking back control is being able to make an assessment about where additional support might be needed and which areas are succeeding on their own terms.”

6. Integrated Rail Plan

The [Integrated Rail Plan \(IRP\) for the North and Midlands](#) was published on 18 November 2021. The IRP outlines the government’s proposals to improve rail links in the Midlands and the North of England, with a total package of investment of £96 billion to 2050.

The IRP confirms that a new high-speed rail line will be built between Crewe and Manchester, and between the West Midlands and East Midlands Parkway, as part of the HS2 network. A new high-speed rail line will also be built between Warrington, Manchester, and West Yorkshire as part of Northern Powerhouse Rail (NPR).

The plans outlined in the IRP for HS2 and NPR are less ambitious than previously announced. The North East will not be part of the HS2 network, and region is no longer considered part of the NPR “core network”. The previously planned eastern leg of HS2 between Birmingham and Leeds will not go ahead.

The East Coast Main Line will receive upgrades to digital signalling and the power supply to improve journey times – the journey from London to Newcastle is estimated to be reduced from 169 minutes to 148 minutes following the improvements. Plans to re-open the Leamside Line between Gateshead and County Durham will not be taken forward by the government; the IPR concludes that the Leamside Line could be considered as part of a future city region settlement.

Network Rail will be asked to develop a package of interventions on the East Coast Main Line from London to Newcastle to deliver benefits earlier to the North East, and improve capacity.



North East
Local Enterprise Partnership



Autumn Budget & Spending Review Briefing

October 2021

Background

The Chancellor of the Exchequer, Rt Hon Rishi Sunak MP, presented the Autumn Budget and Spending Review (SR) to the House of Commons on 27 October 2021. The SR sets the UK Government departments' resource and capital budgets for 2022/23 to 2024/25 (SR period), and the devolved administrations' block grants for the same period. This briefing aims to summarise the key economic data and spending commitments, identify specific announcements about the North East LEP area and provide detail on future regional policy and funding issues.

Economic context

Table 1.1: Overview of the economy forecast

	Percentage change on a year earlier, unless otherwise stated						
	Outturn	Forecast					
	2020	2021	2022	2023	2024	2025	2026
Output at constant market prices							
Gross domestic product (GDP)	-9.8	6.5	6.0	2.1	1.3	1.6	1.7
GDP per capita	-10.2	6.3	5.6	1.7	1.0	1.3	1.4
GDP levels (2020=100)	100.0	106.5	112.8	115.2	116.7	118.6	120.6
Output gap	-0.4	0.9	0.6	0.5	0.1	0.0	0.0
Expenditure components of real GDP							
Household consumption	-10.9	4.7	9.8	1.3	1.7	1.3	1.0
General government consumption	-6.5	14.7	2.0	1.5	1.2	1.7	2.1
Business investment	-10.2	-2.4	15.7	4.7	-0.8	4.8	5.8
General government investment	3.5	14.7	-2.1	6.5	-1.0	1.1	1.8
Net trade ¹	0.8	-0.8	-2.5	0.3	0.1	-0.1	-0.2
Inflation							
CPI	0.9	2.3	4.0	2.6	2.1	2.0	2.0
Labour market							
Employment (million)	32.5	32.2	32.6	33.0	33.2	33.3	33.4
Average earnings	1.2	5.0	3.9	3.0	2.2	2.9	3.5
LFS unemployment (rate, per cent)	4.6	4.9	4.8	4.3	4.2	4.2	4.2

¹ Contribution to GDP growth.

The table above, produced by the [Office for Budget Responsibility](#) (OBR), provides an overview of the economic forecast for the UK over the next five years.

GDP growth is expected to be 6.5% in 2021 (2.4% higher than the OBR's forecast in March) and 6% in 2022 in a shorter Covid bounce-back than predicted previously, and then return to an average of 1.7% between 2023 and 2026. GDP is expected to regain its pre-pandemic level by the end of 2021, earlier than forecast in March.

The OBR expect the post-pandemic scarring of potential output to be 2%, rather than the 3% forecast in March. In comments after the budget speech, the Chair of the OBR contrasted this with the impact of EU Exit which he estimated at 4%.

CPI inflation is expected to peak at 4.4% in the second quarter of 2022, 2.6 percentage points higher than was forecast in March. The OBR attribute the majority of the increase to higher utility prices and forecast an additional increase in the Ofgem energy price cap in April 2022. Inflation is forecast to return to the Bank of England 2% target in 2024.

Unemployment is expected to peak at 5.2% this winter, much lower than previous estimates.

The OBR highlights the success of the vaccine rollout, the vaccines' high degree of effectiveness, and consumers' and businesses' adaptability to public health restrictions as contributing factors to the faster recovery. However, it highlights how global supply constraints, increasing energy costs, and changes to migration and trade policy following EU Exit are expected to act as a break on growth and contribute to rising prices and pressures on wage costs.

Positioning

The Chancellor presented the Budget as beginning the work of preparing for a new economy post-Covid, with reference to the Prime Minister's ambition of higher wages, higher skills and rising productivity.

The increase in inflation was attributed by the Chancellor to global forces: the reopening of the economy creating bottlenecks in supply chains and surging global demand for energy at a time when supplies have been disrupted due to Covid.

The Chancellor announced a new [Charter for Budget Responsibility](#), which will be subject to a vote by the House of Commons. The Charter sets out two rules for public spending which must be met by the third year of every forecast period: underlying public sector net debt (excluding the impact of the Bank of England interventions) must be falling as a percentage of GDP; and, in normal times everyday public spending must be paid for through taxation, not borrowing.

He emphasised four fiscal judgements which underpinned the approach to the SR: to aim to meet the rules in the charter with a margin because of ongoing uncertainty; to focus ongoing support on working families; to meet commitments to the world's poorest restoring the commitment to 0.7% of GDP going to aid; to increase departmental spending by 3.8%, with every department to receive a real terms uplift.

In the closing section of the Chancellor's speech, he affirmed that his goal was to start to reduce taxes by the end of the Parliament, and he stated that there are limits to Government and taxpayer support for economic challenges.

Covid-19 Response

The Budget and SR confirms £9.6 billion over the SR period for Covid-19 related health spending, so that the NHS can continue to respond to and mitigate the impacts of the virus.

As previously announced, the Government also plans to spend over £8 billion over the SR period for a major catch up programme that will help the NHS to provide elective care that was delayed by the pandemic. The NHS aims to undertake around 30% more elective activity by 2024/25 than was the case before the pandemic, after accounting for the impact of an improved care offer through system transformation, and advice and guidance. This will be supported by £5.9 billion capital investment for the NHS to tackle the backlog of non-emergency procedures and modernise digital technology

The Budget confirms the introduction of the Health and Social Care Levy, a 1.25% increase in Class 1 (employer and employee) and Class 4 (self-employed) National Insurance contributions. This will be introduced from April 2022, and initial revenue raised will be added to the existing NHS allocation. From April 2023 receipts from the Levy will go to those responsible for health and social care across all parts of the UK.

The Government will provide a new package of £1.8 billion over the SR period to help schools to recover from the disruption caused by the pandemic, including a £1 billion Recovery Premium to help deliver evidence-based approaches to support the most disadvantaged pupils, and £324 million in 2024/25 to provide additional learning hours for 16-19 year-olds. This brings total investment to support education recovery to £4.9 billion since academic year 2020/21.

The SR provides almost £500 million over the next three years for the criminal justice system's recovery from Covid-19, including reducing court backlogs and increasing the number of cases dealt with by the courts.

The Recovery Loan Scheme will be extended to 30 June 2022 to ensure that lenders continue to have the confidence to lend to SMEs. Finance will be available up to a maximum of £2 million per business, and the government guarantee will be reduced from 80% to 70% to encourage the lending market to move towards normality.

Business rates

Alongside the Budget and SR, HM Treasury published the final report of a review of business rates announced at Spring Budget 2020: [Business Rates Review: Final Report](#).

The Chancellor announced that up to 400,000 retail, hospitality, and leisure properties will be eligible for a one-year 50% business rates discount (with a £110,000 per business cap), worth £1.7 billion. The planned increase in the business rates multiplier for 2022/23 has been cancelled, and revaluations will take place every three years instead of every five years from 2023.

From 2023, a new business rates relief will support investment in property improvements so that no business will face higher business rates bills for 12 months after making qualifying improvements to a property they occupy that increase the rateable value of the property. There will be a consultation on this relief and it will be reviewed in 2028.

Targeted business rate exemptions will be introduced from 1 April 2023 until 31 March 2035 for eligible plant and machinery used in onsite renewable energy generation and storage, and a 100% relief for eligible heat networks, to support the decarbonisation of non-domestic buildings.

The total package of business rates reform will collectively reduce the burden of business rates in England by £7 billion over the next five years. English Local Authorities will be fully compensated for the loss of income as a result of these business rates measures and will receive new funding for administrative and IT costs.

The Government will publish a consultation shortly on options for a possible UK-wide Online Sales Tax, the revenue from which, if introduced, would be used to reduce business rates for retailers.

Education and Skills

The UK Shared Prosperity Fund (UKSPF) will provide £560 million funding for Multiply, a new UK-wide programme to improve adult numeracy skills. This will be delivered through flexible courses and an online platform. The Budget document states that this will particularly benefit the North East, West Midlands, and Yorkshire which currently have the highest rates of poor numeracy.

Total spending on skills will increase by £3.8 billion by 2024/25, equivalent to a cash increase of 42% (26% in real terms) compared to 2019/20. This includes:

- an additional £1.6 billion by 2024/25 for 16-19 year olds' education in England, maintaining funding rates in real terms per student, and providing additional hours in the classroom for up to 100,000 T Levels students by 2024/25. It also funds 40 additional hours learning per student per year for 16-19 year olds
- £2.8 billion capital investment across the SR period to improve FE College facilities and establish Institutes of Technology
- a total investment of £554 million by 2024/25 to substantially increase retraining and upskilling opportunities for adults and meet the Government's commitment to a National Skills Fund. This includes giving more adults access to courses at Level 3, scaling up Skills Bootcamps, and supporting reforms to the adult skills funding system,
- increasing apprenticeships funding to £2.7 billion by 2024/25, and extending the £3,000 apprentice hiring incentive for employers until 31 January 2022
- investing approximately £10 million a year over the SR in the Sector Based Work Academy Programme

The Budget and SR include commitments to improve the apprenticeship system for employers:

- introduce an enhanced recruitment service by May 2022 for SMEs to help them hire new apprentices
- support for flexible apprenticeship training models
- by April 2022, the Government will consider changes to the provider payment profiles aimed at giving employers more choice over how apprenticeship training is delivered, and explore the streamlining of existing additional employer support payments so that they go directly to employers
- introducing a return on investment tool in October 2022 to ensure employers can see the benefits apprentices create in their business

People and Workforce

From 1 April 2022, the National Living Wage for people aged over 23 will rise to £9.50 per hour, an increase of 6.6%.

The Universal Credit taper rate will be reduced from 63% to 55%, meaning Universal Credit claimants will be able to keep an additional 8p for every £1 of net income they earn. The Universal Credit Work Allowance will also be increased by £500.

Transport and Infrastructure

The Chancellor acknowledged the shortage of HGV drivers and the ongoing impact on logistics and supply chains. The Budget document includes a summary of measures taken by the Government to address the driver shortage:

- investing £32.5 million in roadside facilities for HGV drivers
- investing in new skills bootcamps to train an additional 5,000 drivers
- increasing the number of HGV driving tests available by up to 50,000 each year
- freezing vehicle excise duty (VED) for HGVs and suspending the HGV road user levy for another 12 months from August 2022
- relaxing cabotage rules temporarily for international HGV journeys within Great Britain, enabling international drivers to undertake more jobs during a trip to the UK, with the aim to provide greater resilience for supply chains
- issuing up to 5,000 short-term temporary visas for food and fuel haulage drivers to work in the UK

Budget announcements for transport and infrastructure funding in the North East include up to £50,000 through the Restoring Your Railway 'Ideas Fund' to develop a feasibility study for reinstating passenger rail links between Darlington and Weardale in County Durham.

Air Passenger Duty (APD) on domestic flights will be reduced by 50%, with the introduction on a new domestic band for APD set at £6.50. APD for journeys of over 5,500 miles will be increased.

The government is extending the Airport and Ground Operations Support Scheme (AGOSS) for a further six months, through to the end of the 2021/22 financial year. This will provide commercial airports and ground handlers in England with support for their fixed costs of up to £4 million.

Eight English city regions will receive a share of £5.7 billion to improve local transport networks: West Yorkshire, Greater Manchester, West Midlands, Liverpool, South Yorkshire, Tees Valley, the West of England.

Levelling Up, Communities and Local Government

The Budget and SR includes an announcement of the first £1.7 billion of allocations through the £4.8 billion Levelling Up Fund for projects to improve local infrastructure. 105 projects were successful in the first round, including the following in the North East LEP area:

- County Durham: £20 million for a Transport Infrastructure Improvement Project in Bishop Auckland. The funding will be used to repair and re-open Whorlton Bridge, re-route the A68 to bypass Toft Hill, and improve facilities at the Locomotion museum in Shildon. More details of the bid [here](#) from Durham County Council.

- Newcastle upon Tyne: £20 million for the regeneration of the Grainger Market and Old Eldon Square/Blackett Street; and £19.8 million for a new sport and well-being hub in West Denton. Two additional bids submitted by Newcastle City Council, for the restoration of the Tyne Bridge and funding to support the offshore and subsea industries on the north bank of the River Tyne, were not approved in this round. More details of the bids from Newcastle City Council [here](#).
- Sunderland: £20 million for a Housing Innovation and Construction Skills Academy developed with Sunderland College. More details from Sunderland Council [here](#).

The first 21 projects to benefit from the £150 million [Community Ownership Fund](#) were announced, including two projects in North Tyneside:

- £300,000 total funding for the North East Homeless Hub in North Shields
- £300,000 total funding for the Whitley Bay Big Local Community Building

No further detail was published on the outcome of applications to the Community Renewal Fund.

The first Freeport tax sites will be operational from November 2021 in the Humber, Tees Valley, and Thames Freeports. The full package of tax reliefs available to these sites has been published [here](#). Maps of the Freeports and the tax sites within them have been published [here](#).

In their analysis of the economic impact of the introduction of freeport tax sites, the OBR state “the main effect of the freeports will be to alter the location rather than the volume of economic activity”.

The SR includes a commitment to invest a further £1.8 billion over the SR period to increase housing supply and meet the Government’s target of £10 billion investment and over 1 million new homes. £7.5 billion will be made available through the Affordable Homes Programme in the SR period to deliver up to 180,000 affordable homes; two thirds of the Affordable Homes Programme funding will be for homes outside London.

The SR also commits £3 billion over the SR period for remediation of the highest risk buildings with unsafe cladding.

Energy, Environment and Climate Change

The Budget and SR provides £950 million for the Home Upgrade Grant and £800 million for the Social Housing Decarbonisation Fund. It also allocates £1.4 billion to help decarbonise the public sector estate in England.

Additional energy spending commitments include:

- up to £1.7 billion of new direct Government funding to enable a final investment decision in a large-scale nuclear project this Parliament, subject to value for money and approvals
- £120 million for a new Future Nuclear Enabling Fund to address barriers to entry for nuclear projects
- £380 million for the UK’s offshore wind sector

- £450 million to grow the heat pump market in England and Wales as part of the ambition to work with industry to reduce the costs of heat pumps by 25-50% by 2025
- £338 million to encourage private investment in heat networks

Science, Innovation and R&D

The Budget and SR increases public R&D investment to £20 billion across the UK by 2024/25, including funding for EU programmes. This is an increase of around a quarter in real terms.

The Budget document reaffirms the Government's commitment to increase total UK investment in R&D to 2.4% of GDP by 2027. The ambition of increasing public R&D spending to £22 billion by 2026/27, detailed in the Budget document, is a change to the commitment published in the R&D Roadmap in January 2021 to reach £22 billion by 2024/25.

The Government will expand qualifying expenditure for R&D tax reliefs to include data and cloud computing costs and refocus the R&D tax relief programme towards innovation activity in the UK.

Details of the Government's plans to increase spending on R&D outside the Greater South East will be set out in the Levelling Up White Paper.

The SR includes £1.4 billion over the SR period for the Global Britain Investment Fund to support investment in the UK's life sciences, offshore wind and automotive manufacturing sectors. This includes:

- £817 million for the electrification of UK vehicles and their supply chains, to support investment in zero emission vehicle manufacturing, giga factories and the electric vehicle supply chain
- £354 million for life sciences manufacturing, including medicines, diagnostics and vaccines, to increase health resilience and create thousands of jobs
- up to £230 million for the offshore wind sector

International Trade

The SR provides an increase in the Department for International Trade's budget of £67.6 million over the Parliament.

Additional funding commitments include:

- over £45 million funding over the SR21 period for the digital transformation of DIT's export support services, delivered through an expansion of DIT's new EU- focused Export Support Service to cover all markets
- providing £60 million in 2024-2025 to establish a Single Trade Window, which will reduce the cost of trade by streamlining trader interactions with border agencies
- £838 million over the three years to 2024-25 to complete the delivery of critical customs IT, including the new Customs Declaration Service

- £107 million next year for the Trader Support Service, which helps traders move goods into Northern Ireland

The Government will publish consultations in the new year on customs processes, the intermediaries' market and transit.

Digital, Culture, Media, and Sport

The SR includes £52 million in new funding for museums and cultural and sporting bodies to support recovery from Covid-19 in 2022/23, and an additional £49 million in 2024/25.

The Museums and Galleries Exhibition Tax Relief will be extended for a further two years until 31 March 2024, and there will be additional temporary tax reliefs for theatres, orchestras, and film and TV productions.

The SR confirmed the Government's ambition to invest £5 billion in Project Gigabit to support the rollout of gigabit capable broadband in hard-to-reach areas across the whole of the UK. The SR also includes £180 million over the next three years as part of the £500 million investment in the Shared Rural Network, to deliver 4G mobile coverage to 95% of the UK.

Devolution and Regional Policy

The Budget and SR confirms over £1.6 billion for the British Business Bank's regional funds, including £660 million new funding for the expanded Northern Powerhouse Investment Fund, which will include the North East.

The Levelling Up White Paper will provide further information on the Government's plans to enable more areas to agree devolution deals, where there is local support, and to strengthen existing devolution arrangements.

Departmental funding allocations

The SR set down three-year funding allocations for all departments, which confirms that each department will receive an uplift over the SR period compared with a baseline of 2021/22. Total departmental spending is set to grow in real terms at 3.8% a year on average over this Parliament – a cash increase of £150 billion a year by 2024-25 (£90 billion in real terms).

Table 1.16 below shows allocations against the Levelling Up Fund and the UKSPF, which reaches £2.6 billion by the end of the SR period. Detailed revenue and capital budgets show that the Levelling Up Fund will be a capital budget and UKSPF largely a revenue budget.

We expect to see further detail emerge over coming weeks relating to key North East LEP and partner programmes such as Growth Hubs and the Local Energy programme as Departmental budget allocations are confirmed.

There was no further detail about the distribution mechanisms for the UKSPF, although it is notable that £560m of the UKSPF was allocated to the UK wide programme called Multiply focused on adult numeracy mentioned above.

Table 1.16: Departmental Budgets - Total DEL (TDEL) excluding depreciation¹

£ billion (current prices)	Outturn 2019-20	Outturn 2020-21	Baseline 2021-22	Plans 2022-23	Plans 2023-24	Plans 2024-25	Average annual real terms growth	
							2021-22 to 2024-25	2019-20 to 2024-25
DHSC	140.5	144.9	156.4	178.5	183.8	188.6	4.1%	3.5%
DfE	68.4	71.5	76.3	83.3	86.3	86.7	2.0%	2.4%
HO	12.3	13.6	14.6	16.2	16.5	16.5	1.9%	3.6%
Moj	8.3	9.3	9.8	11.0	12.0	11.5	3.3%	4.1%
LODs	0.6	0.6	0.7	0.8	0.8	0.8	2.1%	2.8%
MOD	39.8	42.4	46.0	47.9	48.0	48.6	-0.4%	1.5%
SIA	3.0	2.8	3.1	3.3	3.6	3.7	3.9%	4.0%
FCDO	12.6	12.5	9.7	11.1	11.4	11.8	4.4%	-5.0%
Unallocated provision to take ODA to 0.7% of GNI	-	-	-	-	-	5.2	-	-
DLUHC Local Government	7.0	5.3	8.5	11.7	12.1	12.8	9.4%	8.4%
DLUHC Levelling up, Housing and Communities	10.7	11.4	9.7	11.1	9.0	8.9	4.1%	4.7%
Levelling Up Fund	-	-	0.2	0.9	1.4	1.4	-	-
DfT	17.7	20.5	23.2	27.2	26.7	26.2	1.9%	5.5%
BEIS	13.7	20.9	17.9	19.6	23.5	23.8	7.5%	9.9%
DCMS	2.2	1.9	2.2	2.8	2.7	2.7	5.8%	2.9%
DEFRA	2.8	5.0	5.6	6.7	7.3	7.0	5.3%	8.1%
DIT	0.5	0.5	0.5	0.6	0.6	0.6	0.1%	0.2%
DWP	5.8	6.0	5.9	8.3	7.6	7.2	4.4%	2.1%
HMRC	4.3	4.7	4.8	5.9	5.5	5.2	0.0%	1.2%
HMT	0.5	0.3	0.2	0.3	0.3	0.3	0.3%	1.2%
CO	1.1	0.9	1.0	1.0	1.0	1.0	0.1%	9.6%
Scotland	32.9	35.5	36.7	40.6	41.2	41.8	2.4%	2.6%
Wales	14.2	15.8	15.9	17.7	18.0	18.2	2.6%	2.9%
Northern Ireland	12.7	13.6	13.4	14.8	15.0	15.2	2.2%	1.3%
Small and Independent Bodies	2.0	2.5	2.5	2.9	3.0	3.1	5.1%	6.7%
UKSPF	-	-	-	0.4	0.7	1.5	-	-
Reserves	-	-	15.6	15.9	14.7	14.0	-	-
Adjustment to baseline	-	-	1.5	-	-	-	-	-
IFRS16 reclassification	-	-	1.5	1.5	1.5	1.5	-	-
TDEL ex depreciation and ringfenced COVID-19 funding	413.5	442.5	483.6	542.1	554.0	565.6	3.0%	3.8%
Ringfenced COVID-19 funding	2.2	127.0	70.3	-	-	-		
TDEL ex depreciation including ringfenced COVID-19 funding	415.7	569.5	553.9	542.1	554.0	565.6		
Allowance for shortfall	-	-	-24.0	-15.2	-14.5	-13.0		
TDEL ex depreciation, post allowance for shortfall	415.7	569.5	529.8	526.9	539.4	552.6		

Other Tax measures

As previously announced in February 2021, the Government will introduce a new Residential Property Development tax from April 2022 on the profits that companies and corporate groups derive from UK residential property development. The tax will be charged at 4% on profits exceeding an annual allowance of £25 million, and the revenue raised will support the removal of unsafe cladding.

From 27 October 2021, the deadline for residents to report and pay Capital Gains Tax after selling UK residential property will increase from 30 days after the completion date to 60 days. For non-UK residents disposing of property in the UK, this deadline will also increase from 30 days to 60 days.

Fuel duty will be frozen in 2022/23, for the twelfth consecutive year.

The Chancellor announced a restructure and simplification of alcohol duty, with a reduction in the number of main rates from 15 to 6 and a shift to taxing alcoholic drinks in direct proportion to their alcohol content. A tax relief will be introduced for small producers and duty rates on draft beer and cider will be cut by 5% to support pubs.

Other announcements

Alongside the Budget and SR, the Government published [departmental priority outcomes and metrics covering 2022/25](#).

The priority outcomes and metrics have been revised since the 2020 SR to reflect the five “missions” the PM has set for the Government:

- Levelling Up: To fulfil the government’s ambition to level up the UK
- Net Zero: To get our country well on the way to net zero carbon, supporting green jobs and a better environment for the next generation
- Education, Jobs and Skills: Reduce the lost learning from COVID-19, raise productivity through skills reform, and get people into jobs, particularly higher-paid and higher-skilled ones
- Health: Recover the health system following COVID-19, and level up outcomes; and
- Crime and Justice: Reduce the volume and harm of crime, including drugs misuse; improve how the criminal justice system deals with the highest harm cases.

The priority outcomes and metrics will form the basis of Outcome Delivery Plans (ODPs) for government departments which will be published shortly after the start of the next financial year. Departments will be required to report on progress against their ODPs. This will allow Ministers and officials to identify any priority outcomes at risk of not being achieved and take action to improve performance.

The [Infrastructure and Projects Authority’s Project/Programme Outcome Profile](#) tool has been developed to provide a framework for linking business cases for programmes and projects to the priority outcomes.

Commentary

Response to the Budget from key national and regional partners:

CBI Director-General Tony Danker said: “Today, the Chancellor has shown a genuine willingness to listen to business with measures that will get firms innovating and help the economy to grow. It takes several positive steps forward, but isn’t bold enough to deliver the high investment, high productivity economy the Government seeks. The Government missed the opportunity to truly reform a business rates system that diminishes Britain’s high streets and factories.”

Federation of Small Businesses (FSB) National Chair Mike Cherry said: “This Budget has delivered some measures that should help to arrest the current decline in small business confidence. But, against a backdrop of spiralling costs, supply chain disruption and labour shortages, is there enough here to deliver the Government’s vision for a low-tax, high-productivity economy? Unfortunately not. Where inflation and forthcoming tax hikes are concerned, the clouds are gathering.”

British Chambers of Commerce Director General Shevaun Haviland said: “There is much to welcome in this Budget for business communities across the UK. The Chancellor has listened to Chambers’ long-standing calls for changes to the business rates system and this will be good news for many firms. This will provide much needed relief for businesses across the country, giving many firms renewed confidence to invest and grow. However, these changes must be the start, rather than the end point of the reforms to this broken system.”

North East England Chamber of Commerce policy director Jonathan Walker said: “The Budget had some welcome announcements for North East businesses but our wait for a long-term levelling up strategy goes on. Many of our members will benefit from the measures announced today on business rates although they fall short on the substantial reform that is needed.

However, substantial longer-term strategies like the Levelling Up White Paper, the integrated rail plan and details on how the Shared Prosperity Fund will work, have yet to see the light of day. Without these plans it is difficult to judge how much of a long term impact the levelling up agenda will have on our economy. We would like to have seen further support for exporters as international trade is so crucial to our economy.” [Chamber Budget Briefing](#)

Resolution Foundation Chief Executive Torsten Bell said: “The Chancellor yesterday got his first chance to set out what the UK’s post-pandemic economy might look like by the mid-2020s. It is not the high wage economy envisaged by the Prime Minister last month, or even the lower tax economy that Rishi Sunak said was his goal yesterday. Instead the Chancellor has set out plans for a new high tax, big state economy.

Higher taxes aren’t a surprise given the UK is combining fiscal conservatism with an ageing society and a slow growing economy. But it is the end of low tax conservatism, with the tax take rising by £3,000 per household by the middle of this decade.” [Resolution Foundation Budget analysis](#)

Local Government Association Chairman Cllr James Jamieson said: “We are pleased that today’s Spending Review has provided new government grant funding for councils over the next three years to support vital local services. This will help meet some – but not all - of the extra cost and demand pressures they face just to provide services at today’s levels.

Capital investment in skills, transport, housebuilding, and the provision of school places for children with special educational needs and disabilities (SEND) announced today are positive. It is also good that the Government will provide additional funding to help councils continue their ongoing efforts to support people at risk of rough sleeping and homelessness and to fix potholes and improve our local roads.

It is disappointing that the Chancellor has not provided additional funding to address existing pressures on adult social care services and not increased public health funding. We remain concerned that the money allocated to social care from the Health and Care Levy will be insufficient to fund reforms. The potential rise in local government core spending power over the next three years will also be dependent on councils increasing council tax by 3 per cent per annum.”

The Association of Directors of Adult Social Services vice-president Sarah McClinton said: “It is deeply disappointing that the Chancellor failed to recognise the crisis in social care that is already upon us and will now only deepen this winter. While the additional £1.6bn a year in grant funding for councils is welcome, it will do little more than meet the costs of the rise in the national living wage for care workers from next April.”

TUC General Secretary Frances O’Grady said: “The chancellor has gone from pay freeze to pay squeeze. The chancellor admitted that we will have zero pay growth across the economy next year. And he has no plan to get real wages rising for everyone after an eleven year pay squeeze, with average real pay growth over the next four years predicted to be just 0.3 per cent.

Millions of key workers who saw us through the pandemic will still be worse off than they were in 2010. That puts vital services under pressure as even more staff leave, and it risks the recovery.”

2 December 2021

Item 9: 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 they have been involved in since the last Board meeting in September.

2.0 Chair key meetings and discussions

2.1 Since the last Board meeting in September, the LEP Chair has been involved in a variety of events, meetings and discussions that continue to champion our work.

These include:

- Attending the North of Tyne Combined Authority Cabinet;
- Attending the BBC launch;
- Attending the launch of the LEP's Our Economy;
- Meeting with the Cities and Local Growth Unit to discuss the LEP's Mid-Year Review;
- Meeting with the LEP Sub Board Chairs;
- Attending the Regional Universities Business & Engagement Board;
- Briefing with Lord Curry;
- Speaking at the Zero Carbon Tour;
- Regular meetings between the LEP Chair and CEO;
- Attending the North East Combined Authority Leadership Board;
- Attending the Transport for the North Board;
- Various meetings with BEIS and British Business Bank regarding the new Northern Powerhouse Investment Fund;
- Working supper with Martin Tugwell, Chief Executive of Transport for the North with Tobyn Hughes;
- Attending the NP11 Board Meeting;
- Working dinner with LA7 Leaders and Chief Executives;
- *Working dinner with the Scale Up Institute.*

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:*

- *Meeting with the Cities and Local Growth Unit to discuss the LEP's Mid-Year Review;*
- *Regular meetings with BEIS;*
- *Launch of the LEP's Our Economy;*
- *North East – Scaleup Finance and Growth Capital Ecosystem Roundtable;*
- *LEP Cross Chairs meeting and Informal LEP Board session;*
- *Regional Universities Business and Engagement group;*
- *Opportunity North East Strategic Board;*
- *Monthly meetings with the North of Tyne Combined Authority and the LEP;*
- *National Highways Route Strategies workshop;*
- *Blyth Town Deal Board;*
- *British Business Bank event – round table meeting;*
- *Various meetings with Government officials;*
- *NP11 Chief Executives meetings;*
- *HMT Darlington;*
- *North East Fund Board;*
- *Regional Careers Leader Network meeting;*
- *Working dinner with UKREiiF*
- *Working dinner with the Scale Up Institute.*

4.0 Recommendation

4.1 *The Board is recommended to note the report.*