

North East Local Enterprise Partnership Board



Thursday 19 March 2020

17.00 – 19.00

Venue: Boardroom 1.10, Armstrong House, Newcastle College, Rye Hill Campus, Scotswood Road, Newcastle upon Tyne, NE4 7SA

AGENDA

Items 5 and 8 are confidential as they contain commercial information relating to the financial or business affairs of a particular person or organisation and are 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 January 2020** (5.00pm)
The Board will be asked to agree the Minutes.
4. **SEP Delivery Plan** (5.05pm)
Helen Golightly to present to the Board.
5. **Free Trade Zone Proposition** – confidential paper attached (5.15pm)
Vivid Economics consultants to present to the Board.
6. **Urgent decision taken by the Chair since the last meeting** (5.50pm)
Helen Golightly to present to the Board
7. **Chair recruitment** (5.55pm)
Heidi Mottram and Helen Golightly to present to the Board.
8. **Funding decisions and update** – confidential paper attached (6.05pm)
Katy Laing to present to the Board.
9. **North East Combined Authority Economic Strategy** – paper attached (6.20pm).
Vince Taylor to present to the Board.
10. **Any Other Business** (6:55pm)
11. **Date and Time of next meeting – Thursday 28 May 2020 from 5 - 7pm**

19 March 2020

ITEM 4: SEP Programme Delivery Update

1.0 Purpose of Report

- 1.1 This report provides a summary of the details given in the SEP Programme Delivery report, which is attached as *Appendix 1*.

2.0 Highlights and points to note since the last meeting

Business Growth

- Scaleup North East and Supply Chain North East continue to deliver quality programmes against target; (from our 'high intensity' programmes) YTD 445 business engaged/assisted; 127% of annual target.
- High Potential Startups now operation with fourteen founding teams on cohort 1, due to complete April 2020. Cohort 2 first workshop 7 March.
- North East LEP is leading one of 10 Growth Hub Clusters which clusters together Growth Hubs to coordinate business engagement and preparations for exiting the EU. We are currently working with BEIS to establish the priorities for the new financial year.

Innovation

- The Innovation Project Development fund has supported 12 projects to develop full business cases with a further two currently in appraisal for approval. Following on from this funding Driving the Electric Revolution has been successful in securing £36.7m from Government.
- ADDs specialist (consultants) have produced a final report proposing a new approach to the Innovation ecosystem to fit within the Growth Hub 2 approach. We have appointed Perform Green to develop an input-output model as the next phase of work.

Skills, employment, inclusion and progression

- North East Ambition Project continues to perform well against delivery profile with a total of 78 SMEs signed up to the project against a profile of 73.
- 118 Enterprise Advisers (EAs) have been recruited from a broad range of both large employers and SMEs, with 112 matched with a school or college.
- A proposal for an enhanced careers focused offer as part of the Opportunity North East has been approved; this will work with selected cohorts of 30 students in 28 schools across the North East and the Tees Valley.

Transport

- Nexus made its decision to award contracts for the Fleet Replacement Programme to Stadler on 27th January 2020, with launch event at Proto in Gateshead to celebrate and revealed the new train designs. Stadler are currently mobilising on all contracts.
- Metro Asset Renewal Programme is progressing with 200 of 270 projects now completed. Programme completion expected March 2021.

Investment and Infrastructure

- An exercise to identify contingency projects for the LGF programme will be concluded by the end of March, with projects coming forward to utilise any de-committed budget during May 2020.
- More than 95% of the LEP area ERDF allocation is expected to be utilised by contracted or pipeline projects. ESF is now forecast to be oversubscribed, with bids coming forward from the region to access the national reserve fund for ESIF.
- Enterprise Zone funding awarded to Port of Tyne in relation to the Holborn 2 E, which will have offshore wind sector focus.

Strategy and Policy

- It has been agreed the former Brexit Group will continue to meet under the new name EU Exit Implementation Group, with a focus on preparing the North East for exit from the transitional arrangements and on informing domestic policy.
- The Energy Catalyst will launch an 'Energy Innovation Challenge Programme' on 20th March, to engage and support regional SMEs to bring energy solutions to market. In support of this programme, partners Northstar Ventures have ringfenced £200k to invest in up to 10 SME's, subject to eligibility.

Communications

- There continues to be growth in the number of followers across LEP's social media (2.8% on Twitter and 6.1% on LinkedIn since January). The North East LEP remains the most followed LEP in the country on Twitter.
- Highlight for the period is the marketing campaign supporting the High Potential Statusups cohort two recruitment which received 176 expressions on interest.

3.0 Recommendations

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

Appendix – North East Strategic Economic Plan Programme Delivery update, March 2020

North East Strategic Economic Plan Programme Delivery update

March 2020

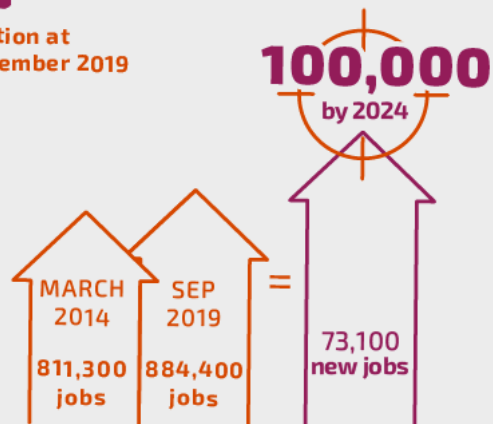


Performance against Strategic Economic Plan targets since 2014 (Last updated Mar 2020)

Target Increase the number of jobs in the North East economy by 100,000 by 2024



Position at September 2019



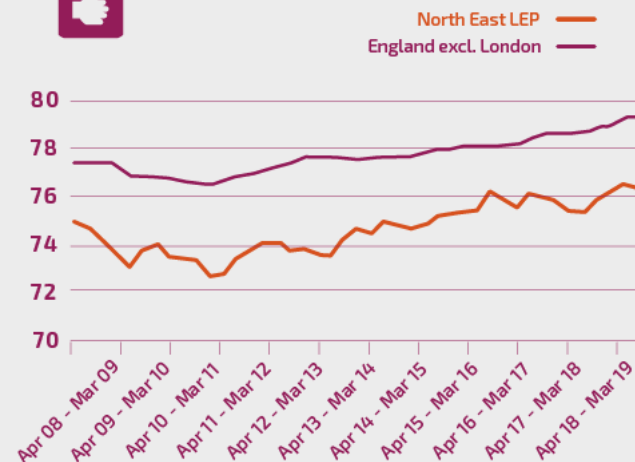
Target 70% of all jobs created from 2014 will be better jobs



Reduce the gap in economic activity for people aged 16-64
Target 50% reduction in gap by 2024



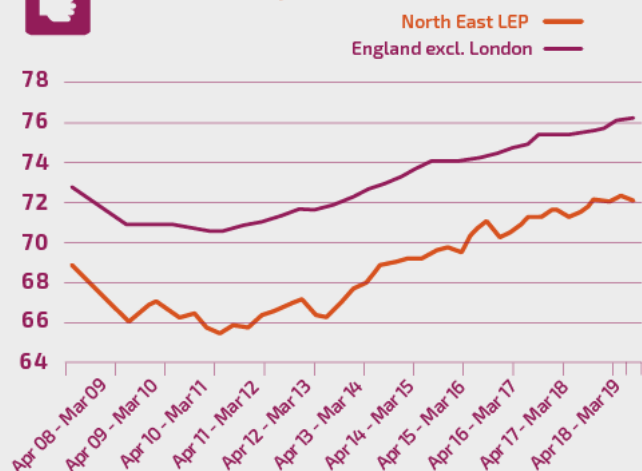
Position at September 2019: 14% reduction



Close the gap in the employment rate for people aged 16-64
Target 100% reduction in gap by 2024



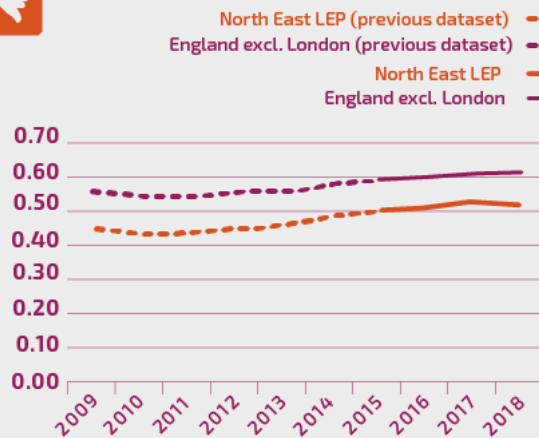
Position at September 2019: 21% reduction



Reduce the gap in private sector employment density
Target 50% reduction in gap by 2024



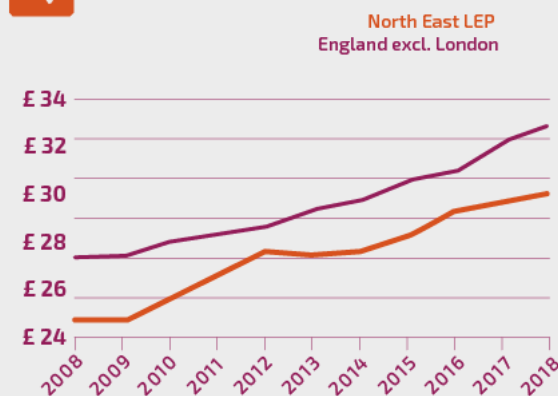
Position at 2018: 17% increase (compared to 2015)



Reduce the gap in GVA per hour worked
Target 50% reduction in gap by 2024



Position at 2018: 19% increase



Business Growth | Lead: Colin Bell

Ambition by 2024

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.

What we will deliver	Progress update and current position	Lead	Progress Status
Raise levels of business growth ambition			
<ul style="list-style-type: none"> · Research, develop and implement a strategy designed to increase businesses' ambition to start up, grow, scaleup and improve · Develop relationships with intermediaries to reach a larger proportion of the region's businesses, with a particular focus on improving awareness amongst under-represented groups, such as women, ethnic minorities, rural areas and social enterprises 	<ul style="list-style-type: none"> · Aligned to LIS, we have commissioned financial input/output modelling to inform the design of the new business growth and innovation ecosystem. This will inform LIS development and future commissioning framework. Joint activity across business growth and innovation programmes. · Work continues with Northumbria University to inform the development of Internationalisation strategy, explore causes of low business birth rate and develop model for KIBS cluster · The Growth Hub 2020 Business Survey is in circulation and explores business growth drivers/suppressors and attitudes towards external business support and finance. This work is supported internally. 	Colin Bell	G
Increase demand for external business support and finance			
<ul style="list-style-type: none"> · Provide access to business start-up support, finance and information through the North East Growth Hub online portal and the national Business Support Helpline · Provide one-to-one impartial brokerage to established businesses and high potential start-ups through our Growth Hub Connectors · Provide intensive account management and managed brokerage to businesses that are scaling up or have the potential to do so · Work with high quality private and public partners to ensure business support and finance are accessible to rural businesses, social enterprises and business leaders from different gender and ethnic groups 	<ul style="list-style-type: none"> · Scaleup North East and Supply Chain North East continue to deliver quality programmes against target. Scaleup North East redesign has improved delivery particularly in terms of collaboration with private sector intermediaries and solution providers. From our 'high intensity' programmes: YTD 445 business engaged/assisted; 127% of annual target. Case study prepared through the SEP evaluation on our collaborative approach to project design and delivery with RTC North. Work on-going to prepare business case for successor programme to Scaleup North East which ends in December 2020. · Of the 225 Scaleup North East and Supply Chain North East businesses with full data reported: GVA increase per business forecast at £560k; GVA per employee increase forecast at £15k; Jobs increase forecast totals 817 (60% of 1,350 target), of which 60% are better jobs; Job creation averages 3.6 jobs per business. · RGN programme contracted to deliver 100%+ of jobs target. Since last report, 42 projects complete and 3 underway. Closure visits taking place. · RDPE Growth Programme: 47 projects contracted. Under-programming increased to £2.4m due to 66% drop out rate. National Reserve Fund now underway through national call and healthy pipeline of projects. · The Connect team continue to delivery impartial service across a broad spectrum of business types, sectors and locations and ensure that businesses located in rural North East have access to Growth Hub information and guidance. · North East Fund: £35m capital released with over £80m private sector funding has been co-invested. Given the recent uncertain economic conditions, this position is relatively strong and investment rate is running as required over the last three quarters. 30% of all deals are in to female-led businesses, 13% are into BAME-led teams. 10% are low carbon investments. Whilst promotion takes place across the region, the majority of investments are Newcastle and Gateshead based. 	Colin Bell	G
Ensure the support of external business support and finance matches the needs of businesses and the economy			
<ul style="list-style-type: none"> · Review business support and finance provision to ensure that the region's ecosystem provides a ladder for business growth from start-up to scaleup and continuous improvement · Introduce a quality assurance system through the North East Growth Hub that assess the quality of support offered to businesses by external business support and finance providers · Work with private and public partners to design and develop a range of interventions to drive productivity improvement and the adoption of digital technology · Ensure peer mentoring and peer-to-peer leadership development is available to support businesses to scale and improve productivity · Work with partners to increase the density of high potential start-ups in the North East · Continue to develop the North East Growth Hub Business Support Provider Network to encourage collaboration and the sharing of good practice 	<ul style="list-style-type: none"> · Next phase of work to design of new business growth and innovation ecosystem framework is underway with procurement of financial input/output model to test strategic priorities, programmes and funding scenarios proposed at culmination of stage 1. · Chair appointed to lead the Finance Task & Finish Group and initial discussions held. · Draft LIS includes productivity proposition, underpinned by evidence and ecosystem framework findings. · Supply Chain North East continues to support companies to adopt digital technology and we are looking at High Potential Startups delivery model to identify opportunities to drive digital enablement. · We continue to support the Be the Business mentoring programme in the North East, the anticipated levels of activity have been suppressed due to challenges with scaling up the programme, this is outside of our control. · Growth through Mentoring has made five mentoring matches this year (plus one re-match), lower levels than last year, it is recognised that additional resourcing is required to support this activity. · High Potential Startups now operation with fourteen founding teams on cohort 1, due to complete April 2020. We have reviewed process and experience and used intelligence to restructure the programme. Cohort 2 first workshop 7 March. · Six scaleup partners continue to deliver excellent account management through Scaleup North East. Scaleup solutions and scaleup community refresh and strategic attention on stakeholder relations are strengthening the offer and building pipeline (new clients). Value add to the customer journey is bringing significant impact (jobs and GVA), including collaboration with intermediaries' firms and scaleup socials. Of the 225 companies for which we have a full set of data, 817 jobs are forecast to be created of which 60% (489) are better jobs. Combined turnover of our Scaleup North East companies exceeds £152m with a GVA increase forecast at £92.3m. 	Colin Bell	G

What we will deliver	Progress update and current position	Lead	Progress Status
Improve the region's economic resilience			
<ul style="list-style-type: none"> Use the North East Growth Hub to distribute up-to-date information on business support and finance options available to support Brexit preparations Work with partners to develop programmes and solution designed to help businesses to diversify into new markets, supply chains and geographies, including through Supply Chain North East Work with partners to inform the business support and finance funding mechanisms that will replace the European Structural Investment Funds Work with partners to set up task forces, when appropriate, to prepare for, to mitigate the effects of and to deal with the fallout of economic shocks 	<ul style="list-style-type: none"> North East LEP is leading one of 10 Growth Hub Clusters which clusters together Growth Hubs to coordinate business engagement and preparations for exiting the EU. We are currently working with BEIS to establish the priorities for the new financial year. We continue to advocate for the clear readiness actions that all businesses can take, whilst reporting the specific issues that businesses report as barriers to being ready for EU exit. We continue to work with NEAA to engage across the automotive sector and have scheduled three EU Exit-focused workshops on planning and leadership with specialist advisers from NBSL. Growth Hub Connectors continue to offer diagnostics and signposting to clients to assist with emerging EU-related issues and surveys collect emerging themes and trends. In light of Covid19, we are gathering intelligence from businesses and external stakeholders and reporting top Government along with the nine other clusters. Supply Chain North East continues to support businesses to diversify into new markets to spread risk. Diversification includes in to our areas of strategic importance (automotive, renewables, offshore) and other sectors (chemicals and processing, rail, nuclear, space). Supply Chain Exchange is now operational, building networks between companies in and without the region. 	Colin Bell	G
Grow inward investment in the region			
<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 	<ul style="list-style-type: none"> In the first three quarters in 2019/20 there have been 52 inward investment successes in the North East LEP area creating 1,779 jobs. Of these 35 were Foreign Direct Investments creating 1,342 jobs. 17 were new UK investments creating 437 jobs. There are some significant announcements of new investment successes scheduled for the final quarter/first quarter 2020/21. INEE continues to deliver the DIT Key Account Management (KAM) Programme through circa £153k of DIT Northern Powerhouse funding. To the end of December 2019 there have been 18 new successes reported through this programme. INEE is working with local authorities to access key information gleaned from account management activity. DIT has announced that it has budget to support KAM in 20/21 and INEE is working with DIT to agree a NE programme of activity. INEE communications and marketing plan developed with input from the North East LEP and the seven local authorities. This is reviewed and updated regularly. INEE has attended/hosted NE presence at a number of events to date in 2019/20 including sponsoring events where inward missions can be arranged to coincide with the event. 	Guy Currey	A

Programme Risks

Risk Description	Cause description	Likelihood	Impact	Overall	Actions to avoid/reduce impact
Quality of Growth Hub infrastructure impacted by new supplier	Forced change of supplier requires team to monitor closely the contract in order to maintain performance quality.	M	H	MH	Contract management and control. New procurement exercise underway.
Resources stretched	Resource impacts from new contracting arrangements	M	H	MH	Value for money sought from new contract. Existing suppliers and in-house personnel used to deliver actions.
Programmes do not match the needs of businesses	Lack of control over current funding landscape	M	H	MH	Liaison with BEIS, LEP taking a thought leadership role.
Future ecosystem deployment is delayed	SPF or EU funding successor is delayed	M	H	MH	Commission modelling work and prepare delivery strategy for future funding.
Business downturn and/or closure	Brexit process/outcome causes economic shock National resources are not secured or directed to deal with significant shocks Regional partners are uncoordinated and unable to draw down Government resources	M	H	MH	Engage with business and gather intelligence about business impacts of Brexit.
Ability to attract new FDI is significantly impeded with resultant economic impacts to North East LEP economy.	EU Exit and in particular, more serious impacts anticipated of a No Deal situation	M	H	MH	Continued liaison and dialogue with partners to develop contingency plans.

Innovation | Lead: Alan Welby

Ambition by 2024

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.

What we will deliver	Progress update and current position	Lead	Progress Status
Stimulate new business opportunities through the North East Open Innovation Challenge			
<ul style="list-style-type: none"> Support growing activity to foster open innovation between large corporates, public sector and innovation-led SMEs in the region with a clear brand Support the alignment and communication of open innovation and challenge events and programmes to create critical mass and deepen engagement with regional businesses in events Support best practice for open innovation events 	<ul style="list-style-type: none"> An engagement event was held in December 2019. This showed an appetite from partners to be involved in the process and to share learning and the different approaches currently being used. The toolkit development process has been initiated with a fuller action plan developed following the initial partner workshop. The next engagement workshop is planned for 24 April. As part of the Horizon 2020 funded INVITE project, two call rounds have been held with 50 companies engaged resulting in seven new planned partnerships. Learning from these activities is informing development of the Oi2Lab approach. 	Alan Welby	G
Prioritise a regional pipeline of projects to form a Strategic Investment Programme			
<ul style="list-style-type: none"> Develop a prioritised list of regional, large scale pipeline projects Align with activities undertaken by our Combined Authorities Focus on large-scale collaborative projects that have the capacity to have significant impact for the regional economy and create jobs The North East LEP's Innovation Board will play a challenge and support role, holding regional partners to account for progress in developing the evidence base and business plans, securing funding and delivering pipeline projects Develop a programme to address identified place-based gaps to supporting business growth Coordinate an approach to securing funds for pipeline projects, including from the National Productivity Investment Fund (NPIF) and Grand Challenges 	<ul style="list-style-type: none"> Project Pipeline approved by the LEP board on the 28 November. Progress reporting approach is now in place and has been welcomed by the Innovation board members and partners. The Innovation Board has representatives from both the North East Combined Authority and North of Tyne Combined Authority which approves new applications and monitors progress. Assessment criteria approved and utilised in prioritisation of projects submitted. This will be retained for assessment of future projects. Board reporting process was approved in September 2019 and is now in regular use. The report has been improved in response to feedback from the board. Engagement with all priority projects has commenced on a regular cycle to maintain dialogue. Specific additional support has been offered to certain projects to accelerate their development. A Specification for procurement is in place ready to take forwards in the 2020/21 financial period. Hosted workshop with SuperNetwork to launch the second wave of Strength in Places call. Ongoing active support is being provided to wave one priority projects. 	Alan Welby	G
Support our businesses to capitalise on local research and innovation capability			
<ul style="list-style-type: none"> Strengthen collaboration between businesses and innovation assets such as universities, catapults and national centres of excellence Enhance the co-ordination between businesses, sectors and innovation assets Support our innovation assets to successfully secure national funding to run regional programmes Work with service delivery partners such as the NHS and local authorities to take-up and roll-out new delivery approaches 	<ul style="list-style-type: none"> Initial demonstrator asset base mapping exercise complete. Two workshops have been held with the Universities to develop opportunities for collaboration. Engagement with universities undertaken through SuperNetwork and through the development of the LIS universities for growth proposition which sets out 16 areas for activity. The Innovation Project Development fund has supported 12 projects to develop full business cases with a further two currently in appraisal for approval. Following on from this funding Driving the Electric Revolution has been successful in securing £36.7 million. Engagement is underway, with key partners aware of open innovation challenge development activity being developed. 	Alan Welby	G
Increase private sector investment into growing innovation businesses			
<ul style="list-style-type: none"> Support VentureFest and FinanceCamp Develop new approaches to lever private funding from outside the region Develop an open innovation challenge to drive increased collaborative investment Work with universities to continue to grow spin-out success, including through Northern Accelerator 	<ul style="list-style-type: none"> The Innovation team continues to work closely with the SuperNetwork, and supported the 2019 programme of Innovation Practice events as well as VentureFest and FinanceCamp. VentureFest was again successful attracting 627 attendees and a 95% satisfaction rate and an approximate financial benefit from attending of £1.1m. Initial review of access to finance provision completed. The task and finish group has met and has agreed a schedule of meetings. The Open Innovation Challenge development is underway as reported under Activity 1. This will develop an approach that will support increased private sector investment. Alan Welby continues to attend the Northern Accelerator Board to support the development of the project. Northern Accelerator was also selected as a priority partner as part of the Pipeline Prioritisation Process. Work with the universities is on-going looking to identify routes to increase spin-out activity. Current work is being taken forward through ERDF activity with the development of the Business Growth activity addressing university activity. 	Alan Welby	G

What we will deliver	Progress update and current position	Lead	Progress Status
Engage partners to identify and drive business growth through an Innovation Sectors and Competencies Programme			
<ul style="list-style-type: none"> Identify and prioritise regional innovation sectors and competencies, including assessing where these align with the Industrial Strategy and North East Local Industrial Strategy Put robust governance in place to identify priority areas Ensure buy-in and engagement with private sector Develop a portfolio of projects and programmes Identify leads and capacity to drive activity Improve alignment of innovation activities to skills and business growth programmes 	<ul style="list-style-type: none"> The regional sectors and competencies study taken forward with the Policy and Strategy Team to inform the Local Industrial Strategy has been completed with Technopolis providing a final report. Unconventional Connections has completed their report which was presented to the September Innovation Board. A pilot approach has been approved, and an initial workshop held on 9 March. The development of the Innovation Delivery Partnership is the proposed route to ensure oversight of the niche competencies. A proposal for monitoring IDP development was approved by the Innovation Delivery Board for a programme of activity in 2020 Partners are being engaged through the development of the Innovation Delivery Framework with a launch event planned for June 2020. Positive private sector partner feedback was received at the IDP workshop. The development of the project portfolio has been taken forward through the project pipeline process A series of draft proposition have been developed as part of the LIS development process. Initial alignment has been undertaken in joint work with Business Growth, Investment and Policy and Strategy Teams. Additional activities required to progress alignment with skills team. 	Alan Welby	G
Coordinate regional partners to provide enhanced innovation support activity			
<ul style="list-style-type: none"> Supporting the delivery of a programme of innovation support for regional businesses Ensure activity is aligned through successful partnership brokered by the Innovation SuperNetwork Support businesses to increase their investment in RDI Strengthen our links with national and international hubs and networks to generate commercial returns for local businesses 	<ul style="list-style-type: none"> ADDs specialist (consultants) have produced a final report proposing a new approach to the ecosystem to fit within the Growth Hub 2 approach. We have appointed Perform Green to develop an input-output model. LEP team continues to work closely with the ISN team and have delivered a series of shared events including the Strength in Places Fund workshop and the Open Innovation development. The challenge of increasing business RDI is being considered as part of the Innovation Delivery Framework. Alan Welby has arranged a series of meetings with Innovate UK, BEIS and the catapults to engage national partners in the development of the Innovation Delivery Framework and introduce the IDP model. 	Alan Welby	G

Programme Risks

Risk Description	Cause description	Likelihood	Impact	Overall	Actions to avoid/reduce impact
Innovation budget insufficient to cover all activities - namely Places and Communities	Broader budget pressures	H	M	HM	Investigating other approaches to delivery with reduced cost and reprofiling activity
Uncertainty over funding direction of key national competitions	Pre-budget period lack of clarity	M	H	MH	Keeping up to date with development and developing strong project irrespective of details of investment stream
Capacity to address key activities particularly IDP	Required resourcing for IDP development	H	M	HM	Considering options for additional focused resource to provide capacity

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

Ambition by 2024

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 partners 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.

What we will deliver	Progress update and current position	Lead	Progress Status
1. Deliver North East Ambition			
<ul style="list-style-type: none"> · Develop a primary school benchmark pilot that could influence the national careers strategy · Adoption of the Gatsby Good Careers Benchmarks by all secondary schools and colleges · Secure and deliver a £3.4million North East Ambition programme that ensures our education system provides young people with the skills to meet the long-term needs of the North East economy 	<ul style="list-style-type: none"> · The Primary Pilot has begun a second term of activity with a series of cluster meetings for schools. The primary pilot team have begun preparing for the kick off the innovation fund process by holding an innovation workshop led by the LEP's Innovation Director. The evaluation the pilot is underway with baseline surveys sent to pilot schools. · The LEP team have completed meetings with the schools in the schools hubs, after which a pre-agreed summary was sent to the headteacher with a recommendation to share with the chair of governors. This has been done to facilitate discussion within the senior leadership structure to encourage engagement in the careers strategy. Our SEND focused hub has attracted a number of SEND schools outside of the hub, who we are engaging with and supporting their achievements against the Good Career Guidance Benchmarks. The North East Ambition Website has been refreshed to ease network schools' and colleges' access to toolkits to support them, it now includes news stories and case studies. · The ESF funded North East Ambition Project Change Request has been accepted and a variation to the contract is to be issued, which more accurately reflects delivery. In terms of outputs, the team and wider delivery partnership continue to perform well against profile with a total of 78 SMEs signed up to the project against a profile of 73. Engagement in County Durham has been slightly lower than anticipated, however a focus on this area is expected to increase SME sign ups in the coming weeks. · The LEP team is currently working with a pool of 118 Enterprise Advisers, recruited from a broad range of both large employers and SMEs of this 112 have been matched to network schools and colleges. The network is getting positive engagement through the Enterprise Advisor meeting with attendance of on average 30 EAs per session. Additionally the Enterprise Advisor Network was represented at the launch of national careers week. 	Michelle Rainbow	G
2. Deliver Education Challenge			
<ul style="list-style-type: none"> · Partner with the Department for Education and others to consider the allocation of the £24 million Opportunity North East funding to improve prospects for young people in the North East. Boost social mobility and raise aspirations for children · Expand delivery of the Next Generation learning pilot focussing on school leadership, high quality CPD, rich employer engagement, early preparation for next stage, a focus on wider skills, a focus on student well-being and teaching and learning through applied learning, project based learning and oracy skills 	<ul style="list-style-type: none"> · The proposal for an enhanced careers focused offer as part of the Opportunity North East was approved. The project will provide an enhanced and targeted careers offering to selected cohorts of 30 students in 28 schools across the North East and the Tees Valley. Project preparation is now underway with recruitment for two new positions. A specification for a procurement of independent careers advice and guidance is being developed and will be released for tender in March 2020. · The Next Generation Learning Pilot phase 2 schools and colleges have now started delivering their action plans. The industrial alignment support officers are working with the schools to develop the partnership and employer engagement that is required to deliver the schools and colleges' action plans. · The first round of teacher externships have been delivered and included teacher undergoing externships with Accenture and Port of Blyth Training Services. · The Next Generation Learning team has been sharing experiences and best practice with a range of interested organisations around the country, the team presented a showcase of activity produced by the students at Excelsior school to the Duke of Kent. 	Michelle Rainbow	G
3. Improve skills progression			
<ul style="list-style-type: none"> · Develop a list of the region's assets within FE, HE and other providers to inform future investment provision · Promote the North East as a potential location to pilot a system to help individuals recognise and record their transferable skills · Work with the Apprenticeship Growth Partnership and other partners to increase the number of apprenticeships available at all levels within growth and labour-intensive sectors · Support partners to implement good quality T-levels and specialist technical education to widen choices for young people · Secure funding to deliver a university pilot project focussing on careers and opportunities 	<ul style="list-style-type: none"> · A contractor was appointed to undertake a comprehensive asset and capability study for the region. A successful inception meeting was held and the initial data review is underway. · The LEP and other partners are scoping the pilot programme for transferable or fusion skills. The pilot will be influenced by the findings in the Taylor Review. A proposition for a pilot was presented to the Local Industrial Strategy Summit in July 2019. · The North East LEP is leading a consultation the maximum levels of government funding for new apprenticeship standards and developing a new system of External Quality Assurance (EQA) for apprenticeship standards. This consultation is running in parallel to developing a strategy to help non-levy paying SMEs take up apprenticeships and take advantage of ESFA's opening of the apprenticeships service to SMEs in 2020 · A LEP proposal to hold a series of targeted events to promote T-levels placements was approved by ESFA and work is underway to plan a series of events. 	Michelle Rainbow	G

What we will deliver	Progress update and current position	Lead	Progress Status
4. Increase youth employment			
<ul style="list-style-type: none"> - Continue to deliver Generation North East and the model to prevent youth unemployment - Provide specialist intensive support for those most distant from the labour market because of disadvantage, poverty, poor physical and mental health - Grow the number of apprenticeships by developing access courses - Ensure young people are able to develop their digital skills. This required digital skills to be build into school, FE and HE courses, exploring new models of delivery including working to secure an Institute of Technology in the region and ensuring that support for young people not in education, employment or training includes digital skills training 	<ul style="list-style-type: none"> - Generation North East is still awaiting a date to meet with DWP for their Project Initiation Visit. Delivery continues across the 5 local authority areas in partnership with the Princes Trust. To date they have successfully engaged 820 young people (18-29yrs) and supported 270 of those to enter employment. - Durham Works has recently surpassed the milestone of 7,000 young people engaging with the programme since January 2016. In addition, 3,500 have now progressed into employment, education or training or gained a qualification. Of those, almost 70% have progressed into employment. Durham Works support the creation of employment opportunities for young people who are on the DurhamWorks programme who would not otherwise have access to these. The opportunity must have some form of training/learning attached to it which can include short courses and on the job training. The current grant award is up to £5,000 for a 12-month period and can support up to 50% of the individual's salary costs. To date, 472 grants have been awarded.. - The Youth Employment Initiative in the North event was held in February. The purpose of the event was to disseminate the key messages from the national evaluation of the Youth Employment Initiative (YEI) and to share lessons learnt from the operation of the YEI from both a Northern and local perspective; highlighting best practice in order to inform policy makers and to influence future programme development. - Surveying is underway for part one of the future skills needs assessment across three sectors; Offshore Wind, Tourism and Digital Skills in Health and Social Care. A final report is expected in April. An ITQ for part two of the Skills Needs Assessment was put out in February 2020 and a contractor is expected to be appointed in March 2020. 	Michelle Rainbow	G
5. Improve labour market activation			
<ul style="list-style-type: none"> - Continue to develop holistic package of support for people facing health barriers to employment, building on successful projects such as Mental Health Trailblazer and Working Links, showcasing the benefits of collaboration - Ensure support is in place for those that have moved from unemployment or inactivity into work to help them progress and acquire further skills - Increase take up of Better Health at Work Awards and similar schemes to employers, to share employment and human resource best practice 	<ul style="list-style-type: none"> - The North East Mental Health Mental Trailblazer three year project closed at end of December 2019. An evaluation report was presented to the February SAP board. The project demonstrated a high level of impact, this was reflected in its high referral rates compared to other projects, indicating a high level of demand. Additionally there was evidence of jobseekers accessing talking therapies who may not have otherwise - The Links to Work DWP 'Opt-In' programme for the LEP area was concluded at the end of 2019. From January 2017 to the end of 2019 the programme supported 2,500 residents. Final performance data are currently being collected for a final impact evaluation, which can be made available when it is completed. - There has been an upturn in the numbers of seminars and events in promoting the benefits of BHAWA and sharing HR best practice. The LEP is coordinating with partners on the Good Work agenda, and is attending a series of partner events on Good Work. The LEP is developing a partnership project with Durham University to develop a series of case studies looking at good work. 	Michelle Rainbow	G
6. Ensure connected communities			
<ul style="list-style-type: none"> - Provide targeted support for communities and individuals, focusing on those with multiple barriers or protected characteristics, and ensure this is a strategic funding priority - Work to secure funding and other resources to ensure that all North East residents are able to develop their digital skills regardless of their age, location or economic status - Consideration of digital skills provision and local digital infrastructure must be prioritised 	<ul style="list-style-type: none"> - Over £70m of ESF projects are currently live, with many more coming on stream later this year. ESF projects have a strong focus on supporting disadvantaged groups and we expect to see some important results from these projects to help address long term imbalances in future. - Digital Skills is part of the overall ESIF strategy and will be a priority in the development of future provision. The SAP will provide the start of the detailed analysis of the requirement. - The Digital strategy was launched in October 2019, the digital skills element is closely aligned to the connected communities programme of delivery. The workforce delivery group met for the first time in December 2020 and agreed on a initial series of priorities. 	Michelle Rainbow	G
7. Help deliver Fuller Working Lives			
<ul style="list-style-type: none"> - Continue to develop and implement the North East's Fuller Working Lives strategy with a supporting communications plan that targets employers and addresses the challenges and opportunities around this agenda 	<ul style="list-style-type: none"> - Work has commenced the development of a series of activities focussed on the 3 R, re-train, retrain and regain. Development of the FWL strategy is being developed as a key part of local industrial strategy. The LEP is working with regional universities to explore innovation in healthy aging, aligned with the industrial strategy. 	Michelle Rainbow	G

Programme Risks

Risk Description	Cause description	Likelihood	Impact	Overall	Actions to avoid/reduce impact
North East Ambition: Delays to programme start	Delays to programme start have led to lag in output delivery	L	M	LM	Outputs have been re-profiled and allow meeting targets by the end of the contract period.
Education Challenge: Insufficient funding to be able to implement at the scale required	Funding is secured to August 2020 for phase 2	L	H	LH	Some of the work of Education challenge is being intergrated into Opportunity North East
Fusion Skills Pilot: Lack of funding	No confirmed funding source for the employability framework	M	H	MH	Sources of funding is being sought
T Levels: Emerging government policy on T-Levels placements	Emerging government policy on T-Levels placements may result in reluctance from employers	M	H	MH	regular communication with ESFA and other partners to ensure clear communication to employers on planned reforms
T Levels: Emerging government policy on T-Levels placements	Government does not prioritise the roll-out of the T-levels or policy changes.	L	M	LM	Regular communication with DfE and ESFA to ensure strategic alignment between programme of delivery and government policy.
Youth Employment: Future funding	Majority of programmes are funded through European Funds. Details of funds to replace are being sought	M	M	MM	Building a strong evidence base through the Skills Advisory Panel to improve effectiveness of funding
Labour Market Activation: Future funding	Majority of programmes are funded through European Funds. Details of funds to replace are being sought	M	M	MM	Building a strong evidence base through the Skills Advisory Panel to improve effectiveness of funding

Transport connectivity | Lead: Philip Meikle

Vision Statement

Our ambition is once 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.

What we will deliver	Progress update and current position	Lead	Progress Status
Ongoing transport project delivery			
<ul style="list-style-type: none"> Continued infrastructure renewals on the Metro system to promote system reliability Further roll out of electric vehicle charging points through the Go Ultra Low North East programme to encourage the uptake of Ultra Low Emission Vehicles in the region Delivery of the Local Growth Fund transport programme and the Local Sustainable Transport Fund capital programme 	<ul style="list-style-type: none"> Project and Programme Management of circa 270 individual projects within the Metro Asset Renewal Programme. Funding of £352m confirmed with investment to date of £323m. 200 Projects completed and closed out, 65 Projects in progress. Funding / Programme completion 31 March 2021. Securing of Metro Infrastructure Funding beyond March 2021. Submission of Business Case to DfT completed in March 2019. Dialogue continuing with DfT. Formal confirmation of funding, profile and conditions may be in 11th March budget. Transport North East Strategy Unit has procured Swarco UK Ltd. To progress the development of the EV chargers for the Taxi trade. Orders are being processed with the intention of the chargers being installed by the 31 July 2020. Delivery of the LGF transport programme is progressing well with a number of schemes now complete. Project progress and expenditure continues to be monitored closely. 	Philip Meikle	G
Secure funding from Transforming Cities Bid and commence delivery			
<ul style="list-style-type: none"> A high-quality bid, that secures significant funding for the sustainable transport network Begin a programme of sustainable infrastructure interventions in public transport, walking and cycling Develop the foundations of an innovative new mobility ecosystem with digitally based ticketing 	<ul style="list-style-type: none"> An ambitious bid to TCF for the region was signed off by JTC on 19 November 2019 and submitted to DfT on 28 November 2019. The high cost scenario ask for the SOBC is £393.5m. Strategic Outline Business Case for Tranche 2 funding was submitted 28 November 2019. Further opportunities to source funding for infrastructure are being tracked following the general election. This programme will commence in April 2020, once a devolved funding settlement has been reached with DfT. A programme delivery team structure for the TNESU has been scoped and costed. A plan for new mobility has been prepared (this formed the basis of our FMZ bid). Exploration continues to find potential sources of funding for new mobility interventions.. 	Philip Meikle	G
Deliver better connectivity through improved infrastructure			
<ul style="list-style-type: none"> Interventions on the local Strategic Highways Network, including major junction projects and commencement of A1 improvements Roll out of the first trains in the Metro fleet replacement programmes Commissioning of electric vehicle filling stations and charging clusters 	<ul style="list-style-type: none"> Highways England (HE) current work programmes for strategic highways improvements is on schedule: <ul style="list-style-type: none"> A19: Construction on Testos/ Downhill Lane has commenced, which will create a free flowing A19 between North Yorkshire and Northumberland. A69: Work has commenced on two junction schemes in the Hexham area to improve flow. A66: Planning for the dualling scheme is progressing and HE are currently reviewing the results of public consultation. A1: Western Bypass improvements at Scotswood-North Brunton undergoing detailed design and due to commence in 2020/21. A1 in Northumberland, consultation has started on the Alnwick – Ellingham dualling. Due to start alongside Morpeth-Felton dualling and north of Ellingham junction improvement schemes in 2021. Nexus made its decision to award contracts for the Fleet Replacement Programme to Stadler on 27th January 2020. The standstill period concluded with no such challenges being received which stands testament to the fair and transparent procurement process Nexus followed. On the 28th January 2020 Nexus held a launch event at Proto in Gateshead to celebrate reaching its contract award milestone. The event which publically revealed the new train designs was attended by a wide range of local and national suppliers and stakeholders. Amongst the speakers at the event, Rail Minister, Chris Heaton-Harris heralded the £337m investment as a new era for the Tyne and Wear Metro. Final contracts and these were executed on the 11th February 2020 marking the start of the delivery phase of the Fleet Replacement Programme. Stadler are currently mobilising on all contracts. The Go Ultra Low North East programme has made significant progress during the project period, notably the opening of the UK's first EV filling station and the installation of six rapid charging hubs. The remaining five hubs will be installed by early 2020. 	Philip Meikle	G
Develop a future transport investment pipeline			
<ul style="list-style-type: none"> Development of the North East Transport Plan including supplementary thematic strategies designed to support our economy Continued participation in Transport for the North and Rail North to identify pan-Northern connectivity priorities A pipeline of schemes matched to targeted funding solutions 	<ul style="list-style-type: none"> The development of the North East Transport Plan continues. On 18th November JTC approved the Plan's Vision: Moving to a green, healthy, dynamic and thriving North East. The mission flowcharts include a baseline position and set out a strategic direction of where we want the region to be, together with key recommendations. The information in the mission flowcharts will form the core content of the Transport Plan technical document. Unlike previous transport plans, we will digitalise the Plan to ensure it is more public facing and it will be a 'live' document so that the data and interventions can be updated. The technical document will sit behind the web based, public facing Transport Plan. It is anticipated that the consultation draft of the Plan will be endorsed by JCT summer 2020. The Transport North East Strategy Unit and Nexus are engaged with TfN on current projects covering the Major Roads Network, Strategic Development Corridors (road and rail) and the Long Term Rail Strategy line of route audits. TfN are engaging with DfT over the review of HS2/NPR to develop an Integrated Rail Plan by the end of 2020. TNE/Nexus are inputting the NE asks into the process. NPR Strategic Outline case is also progressing with a view to submission by early 2021. Project pipeline for inclusion in the Transport Plan is being developed, these will be projects which are regional priorities and meet the objectives and targets within the Transport Plan. The project pipeline will be included in the Implementation Plan. 	Philip Meikle	A

What we will deliver	Progress update and current position	Lead	Progress Status
Improve national and international connectivity			
<ul style="list-style-type: none"> Delivery of the programme of interventions outlined in the Newcastle Airport Masterplan to grow routes and foster wider business growth in associated sectors Agreement with Northern Powerhouse Rail and others on approach to East Coast Mainline improvements Ongoing augmentation or port capability to support trade and investment and to foster growth in key regional areas of opportunity including energy and advanced manufacturing 	<ul style="list-style-type: none"> Masterplan 2035 adopted by Newcastle International Airport's Board and published. Major car park redevelopment underway and new Meet and Greet facility opened. Lufthansa route to its Munich hub to commence in February 2020 with other route development work ongoing, but commercially confidential. Nexus are currently engaged in development work with Network Rail and TfN in projects including Northern Powerhouse Rail making the ECML HS2 and NPR ready. Network Rail have produced the outputs from a study of the future needs of the ECML between Northallerton and Newcastle, this draft findings show the need for 9 trains per hour (tph) (an uplift from the 6tph a day currently) to include both HS2 and NPR services. The next step is to develop the case for the various interventions needed to deliver this level of service. 	Philip Meikle	G
Use transport to drive innovation and business growth			
<ul style="list-style-type: none"> Joint work across all transport modes to identify opportunities for innovation areas including energy, fuels, digital mobility and the development of the Centre for Connected Autonomous Vehicles Collaborative work with tourism agencies to strengthen the offer for business and visitor tourism Collaborative work to develop supply chain and skills development programmes linked to transport and logistics 	<ul style="list-style-type: none"> Future Mobility Zone Project closed - DfT did not shortlist the North East FMZ proposition. The Airport is working with other members of the Northern Tourism Alliance, including DMO's and LA's on the Visit North East England project. NTA members are providing content for the new website and the Airport is driving traffic to the site via overseas digital campaigns The North East Freight Partnership's Skills Working Group engages with the logistics sector, training providers and other agencies to examine ways of addressing skills and labour shortages. Next meeting scheduled for mid-2020 	Philip Meikle	G

Programme Risks

Risk Description	Cause description	Likelihood	Impact	Overall	Actions to avoid/reduce impact
Beyond 2020/21, funding for Metro Infrastructure renewals remains unconfirmed. Metro Infrastructure investment unfunded beyond 31 March 2021	Business Case submitted - still awaiting DfT / Treasury approval	M	H	MH	Continue to engage with DfT / Treasury. DfT Nexus Programme Board and direct communications.
Funding not available for new mobility interventions	No funding can be identified from internal or external sources to develop new mobility trials	H	M	HM	Continue to explore funding opportunities.
Pipeline of schemes for Transport Plan is not agreed and funding is not secured	Unable to reach consensus on which schemes are included in the pipeline and Funding is not available	M	H	MH	Sifting criteria for potential pipeline schemes will be discussed with JTC. The interventions will be as a result of working in partnership with each local authority.
The outcome of the Oakervee review may significantly change the NPR project and how it serves the North East.	The Oakervee review into High Speed 2 could significantly affect the current NPR network being developed in partnership with TfN and DfT.	M	H	MH	Lobbying by TfN/ JTC and LEP already taken place.

Investment and infrastructure | Lead: Helen Golightly

Ambition by 2024

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.

What we will deliver	Progress update and current position	Lead	Progress Status
Manage the already secured North East LEP funding effectively			
<ul style="list-style-type: none"> Invest the £270m Local Growth Fund (LGF) grant into transport, infrastructure for strategic science parks and employment sites, plus skills and business growth activities Maximise the loan investment opportunity for the £55m North East Investment Fund (NEIF) Progress delivery of the 21 Enterprise Zone sites' infrastructure programme 	<ul style="list-style-type: none"> Delivery of LGF projects continues to be strong. The Energy Centre on the Newcastle Helix site is now open. More than 320 jobs were created during Q3 2019/20, with year end forecasts expecting more than 800 jobs to be created of the year. An exercise to identify contingency projects for the LGF programme will be concluded by the end of March, with projects coming forward to utilise any de-committed budget during May 2020. Commercial Property pipeline development ongoing, with proposal for fund to come forward for consideration by LEP Board in May. Current plans are that a procurement process for fund manager to be underway during summer 2020. BEIS Finance Committee provided conditional approval to release NEIF (RGF) programme obligations. Work ongoing to meet conditions by Q1 2020/21. LEP Investment Board have forward plan of Local Authority partners attending future meetings to update on EZ site delivery progress and issues. There is good progress is being reported on several EZ sites. Forecasts suggest around 250 additional jobs will be created on EZ sites for the financial year 2019/20. EZ Application for Holborn 2 (Port of Tyne) was approved March 2020 meeting of Investment Board. It is anticipated that the Royal Quays EZ will come forward with an application for funding for consideration by the LEP Board in May 2020 	Helen Golightly	G
Coordinate partners to develop a regional project pipeline based on spatial economic priorities			
<ul style="list-style-type: none"> Produce a regional project pipeline based on agreed spatial economic priorities through effective partnership working with the two combined and seven local authorities, business and education partners and government 	<ul style="list-style-type: none"> Process and timetable for preparing an updated project list to be set out in line with the LIS proposition development Spatial narrative to be informed by the LIS propositions and pipelining work 	Helen Golightly	A
Secure additional investment into the North East			
<ul style="list-style-type: none"> Secure UK government funding linked to delivering the Industrial Strategy into the region Secure the notional allocation of European Structural Investment Funds into the region with partners Work with public and private sector partners to develop and secure funding for strategic projects 	<ul style="list-style-type: none"> Pipelining work for LIS underway with a series of propositions that will be included in the LIS submission to Government. Bishop Auckland and Blyth award capacity funding to support the development of Town Deals. LEP expected to be part of each Town Deal Board which are to convene early in 2020 and produce Investment Plan by the summer. Details awaited from Government on the UK Shared Prosperity Fund (UKSPF) As of January 2020 more than 95% of the LEP area ERDF allocation is expected to be utilised by contracted or pipeline projects. ESF is now forecast to be oversubscribed, with bids coming forward from the region to access the national reserve fund for ESIF. 	Helen Golightly	G
Increase access to finance for business to invest			
<ul style="list-style-type: none"> Effectively deliver the North East Fund Identify gaps and market demand for new business finance models Develop business finance mechanisms to meet the need of North East businesses 	<ul style="list-style-type: none"> North East Fund: £35m capital released for 212 (up from £25m over 163 investments at last report). This is in line with forecast plan and represents over 35% of target. The majority of investments are through the Innovation and Growth Funds. Over £80m private sector funding has been co-invested, a big increase from £30m previously reported. Review of the NEIF has involved North East Commercial/Industrial Property Market Assessment ongoing including an ex ante and development of appropriate pipeline. 	Helen Golightly	G

Programme Risks

Risk Description	Cause description	Likelihood	Impact	Overall	Actions to avoid/reduce impact
Underspend on 2019/20 LGF budget	Delays in approved projects	M	L	ML	Mitigated through temporary funding swaps strategy
Non compliance with National Assurance Framework	Failure to adapt to LEP review requirements especially on governance matters	L	H	LH	Necessary actions reported to Board and planned to be delivered by 31/3/20
EZ Business Rate Income is not sufficient to meet the capital financing costs for infrastructure works	Slow site development and/or lack of end user interest leads across all EZ sites leads to significant drop in Business Rate Income	L	H	LH	Ongoing dialogue with EZ site owners and increased scrutiny via Investment Board

Strategy, Policy and Analysis | Lead: Richard Baker

Vision Statement

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

What we will deliver	Progress update and current position	Lead	Progress Status
Strategic Economic Plan (SEP) development and delivery			
<ul style="list-style-type: none"> Delivery of external interim evaluation over period 2018-2021 Establish processes for embedding lessons from monitoring and evaluation into LEP decision making Development and delivery of comprehensive SEP communications plan Prepare for next scheduled review in 2021 Secure alignment with other regional plans 	<ul style="list-style-type: none"> The evaluation and monitoring arrangements are in place and active with a full interim evaluation report due in 2021. The Board has considered the annual report findings for 2018-19. 2019-20 Evaluation Plan is agreed and implementation on track. The steering group met in January 2020 and further work is underway to compile the various workstreams into the final report. These cover evaluations for the a range of projects scoped to align with overall SEP evaluation and a number of projects identified as case studies which will illustrate implementation Programme monitoring data has been mapped and process for centralising is being developed through the programme managers office. Work has been progressed to access ERDF and ESF data Two workshops have now been held with LEP SMT and programme managers. This work will continue with programme managers meeting the point of co-ordination. SMT will receive draft findings for 2019/2020 in February 2020 Key products related to the SEP have been produced including the SEP, summary documents and a video. The SEP is now an organising framework for the LEP website and is featured in all key communications activity The LEP is actively supporting the development of the North East Transport Plan to secure alignment with the SEP. It is represented on a number of structures and providing support on data and evidence. Two workshops have identified opportunities for alignment with a number of LEP programmes including energy, digital, innovation and supply chain activities. 	Richard Baker	G
Local Industrial Strategy (LIS) development			
<ul style="list-style-type: none"> Agree and develop a vision and objectives for LIS Develop a robust and open evidence base Identify and develop core propositions Pursue dialogue with Government regarding the LIS propositions Delivery of the engagement plan. Ensuring that it is co-produced with government and partners, and according to the government time table Approval of the LIS, taking through the required governance mechanisms Manage the various governance mechanisms including LIS Steering Group, Working Group and papers that are required 	<ul style="list-style-type: none"> Governance arrangements have been established and include a Steering Group and Working Group accountable to the Board. The two groups have continued to meet throughout the Lis process A Review of Productivity and Review of Sectors, Assets and Capabilities have been completed to supplement our wider evidence base. Both studies were reviewed by the Economic Evidence Forum prior to completion. A report to the Government on the LIS evidence base was submitted and approved in June 2019 The Board approved report outlining our evidence based, proposed vision, objectives and propositions in May 2019. This was subsequently presented and discussed at a significant LIS summit in July 2019. The wider engagement programme has included our Boards, Working Groups and other task and finish workstreams. Work on key propositions has continued throughout in preparation for discussions with Government. The Board considered the key proposals and 'asks' from the region in January 2020 in preparation for formal discussions which are underway through a joint task group involving Government, the North East LEP and representatives from North of Tyne and North East Combined Authorities. 	Richard Baker	G
Economic analysis and commentary			
<ul style="list-style-type: none"> Provide timely, accurate and appropriate analysis of data Effectively communicate key messages from data using the most suitable mode of dissemination Develop new methods of accessing, collating, analysing and presenting data Identify opportunities to work with or provide guidance and training of other people 	<ul style="list-style-type: none"> Undertaken analysis of key data released over the last two months including labour market, further education and productivity statistics Issued monthly press release on regional labour market statistics (February) with another due in late March Responded to ad hoc queries from colleagues and external contacts on a variety of topics including apprenticeships, exports and employment by occupation Contributed to work developing the North East Transport Plan performance indicators and producing evidence to inform the Tourism Action Zone bid Continued analysis and drafting of Our Economy 2020. The focus of this year's report will be the economic geography of the North East. Launch event 14 May Commissioned work to automate some data collection and analysis tasks. This is being implemented by one of the LEP's digital providers Delivered training for college career and curriculum leads to enable them to make better use of published labour market statistics in careers guidance Continued project management of survey of employment and skills needs in three sectors (offshore wind, tourism and health and social care) Finalised design of new 'research and publications' section for North East Data Hub 	Victoria Sutherland	G
Delivery of research and evidence programme			
<ul style="list-style-type: none"> Develop a centrally co-ordinated research programme Develop appropriate mechanisms to support teams and programmes to deliver high quality research and evidence projects Co-ordinate collaborative projects with NE Universities to support evidence development across LEP programmes Maintain the North East Economic Evidence Forum and continue to develop its role and remit Establish a research and evidence brand and presentation approach for findings 	<ul style="list-style-type: none"> A centralised programme of research, evidence and evaluation functions is currently being developed which will provide support, guidance and coordination to our programmes. Current and future research projects have been mapped across the organisation.. In terms of the evidence base for the Skills Advisory Panel, two projects have been successfully commissioned and are underway. The third project, which is scoping out innovative methodologies for determining current and future skills needs, is currently out for procurement. The team are also supporting the innovation team in scoping two projects (on innovation in places and evaluation of DPs) and with energy on developing a Mine Energy White Paper. The team continue to explore different procurement and collaborative mechanisms for delivering research and evaluation projects. Two projects have been successful in applying for Impact Accelerator Account funding exploiting a new model through Durham University. A third project has been submitted and we are awaiting confirmation. An exploratory meeting with the innovation team and Durham academics on creating an open innovation challenge in the North East, building on existing best practice, took place. Discussion points are being revisited to submit a potential IAA project. Further conversations with Northumbria University on internationalisation and entrepreneurship and with Sunderland University on possible research collaborations in relation to the Productivity Insights Network have taken place. A workshop with Sunderland is planned in March 2020. The research and publications page on the North East Data Hub is being tested, which will house relevant reports and insight pieces on the evidence base supporting the SEP. Initial communication plan has been developed to test content engagement. 	Emma Ward	G

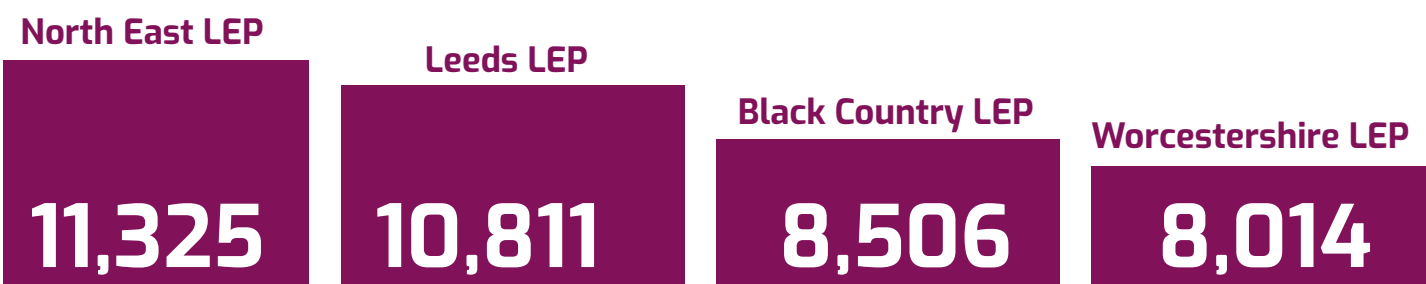
What we will deliver	Progress update and current position	Lead	Progress Status
Informing public policy in priority areas			
<ul style="list-style-type: none"> Confirmation of scope and activity of LEP public policy action Brexit monitoring and preparation Strengthen and co-ordinate engagement with the northern powerhouse and its constituent activities Support and promote approaches which can deliver enhanced devolution to the region to support the economy Move forward a co-ordinated approach to public policy and development related to infrastructure Monitor other parliamentary activities across the economic infrastructure agenda and develop agreed approaches 	<ul style="list-style-type: none"> Supported by our two Combined Authorities, in January 2020, the LEP has been able make an appointment to a post of a Policy Coordinator to support work on EU Exit, and other agreed priorities The North East Brexit Group held a meeting to review its work programme following the General Election and the confirmation of EU departure in January 2020. It has been agreed to continue to meet under the new name EU Exit Implementation Group and to focus on preparing the North East for exit from the transitional arrangements and on informing domestic policy. The Group has updated North East key messages as an immediate priority linked to the future trade deal and domestic policy agenda and has agreed a revised work programme to take forward evidence and policy activities on information and support for business, trade facilitation, skills and migration, future funding, and scientific collaboration, and will update evidence about impacts on key sectors, including manufacturing, education and rural. The Group members will also continue to work with the Business Growth team and Local Authorities on monitoring and reporting to Government. A proposal on a free trade zone will be brought to the Board in March 2020 SMT met with the NP11 Coordinator, leading to an update report to the Board (November 2019) and Local Authority Economic Directors (January 2020) agreeing priority activities across the priority themes identified in the Manifesto for the North published in December 2019. A coordination group is being established bringing together partners focused on key issues highlighted including trade and investment, innovation, energy, transport and energy. The group will meet for the first time on 13 March. Other manifesto issues on housing and skills are being assessed With the benefit of additional capacity, the previous paper setting out an approach to Public Policy agreed by the Board in 2018 will be reviewed with a further paper to follow later in the year 	Richard Baker	G
Energy for growth programme			
<ul style="list-style-type: none"> Maintain active regional governance and profile for energy Develop an active Offshore Energy Cluster to promote growth working with TVCA & other partners Develop the NE Energy Catalyst partnership and its programme of work Accelerate delivery of regional energy initiatives, linked to the BEIS Local Energy programme Engage actively with wider governance and political structures to embed Energy for Growth strategy Integrate Energy for Growth and its priorities with skills, business growth and innovation delivery programmes 	<ul style="list-style-type: none"> The completed Offshore Wind supply chain opportunity study outlines new intelligence and an opportunity for the North East of between 6.5k and 9k jobs in the sector by 2025, in differing scenarios of activity and ambition. A follow up delivery plan is being developed to secure growth opportunities. The Offshore Wind Sector Deal national skills lead was hosted, meeting with partners to showcase strengths in the region, and provided feedback on the LEP's sector skills needs assessment to ensure alignment with the national approach. The Energy Catalyst delivery plan is underway, including near-term opportunities built around existing assets, as well as new project priorities. The Catalyst will launch an 'Energy Innovation Challenge Programme' on 20th March, to engage and support regional SMEs to bring energy solutions to market. In support of this programme, partners Northstar Ventures have ringfenced £200k to invest in up to 10 SME's, subject to eligibility. A pipeline of 30 rural energy projects have been identified since October and are under active development, including near-term projects being assisted to access Rural Community Energy Funding (RCEF) for feasibility works. A wider rural energy agenda is being developed with local and national partners around priority themes, including off-grid domestic properties. Funding has now been secured for the LEP to commission a 'Mine Energy White Paper' on behalf of the national mine energy taskforce which is convened by the LEP. An initial steering group meeting will take place in March to agree the specification. The Energy team is represented on the Borderlands Energy Masterplan project board and has provided feedback on pre ITT, ensuring alignment with the Energy for Growth Strategy. The Energy for Growth Fund has now offered funding to six projects, with a further two projects currently progressing through the appraisal and grant offer process. 	Andrew Clark	G
Digital programme			
<ul style="list-style-type: none"> Secure agreement from the North East LEP Board to a North East Digital Strategy Create a governance structure to oversee delivery of the work programme Develop an agreed communications plan to promote NE Digital development Develop and begin delivery of an active pipeline of projects to under themes: data; infrastructure and connectivity; creative production and application; and workforce 	<ul style="list-style-type: none"> Digital Steering Group meetings are now in a regular meeting cycle. Early stage project pipeline developing with partners across each of the four themes, and aligned to LEP programmes and funding opportunities. Workforce: first workforce Delivery Group met on 25th November; business case under development for potential university collaborative project on digital skills training; ongoing conversations with Prof Sue Black at Durham University regarding digital skills for hard to reach communities; task and finish group convened to develop a project around digital skills for non-digital businesses. Next workforce delivery group to be scheduled in Q1/2 with a focus on third sector organisations including collaboration opportunities with VONNE. Data: Delivery Group meeting held on 23rd January; LEP and NICD co-authoring evidence base and report to inform regional business engagement strategy and data led business growth opportunities; report launch due in Spring to coincide with second Delivery Group meeting. Infrastructure and Connectivity: research commission being developed to map the North East's digital connectivity provision - including broadband, mobile and 5G readiness, delivery organisation to be procured in Spring. Early stage conversations underway with partners re a potential substantial funding call to be announced in March. Collaboration and Enterprise: small task and finish group convened on tech start-up support and R&D/business collaboration; conversations ongoing with Sunderland Software City on R&D/business collab. Delivery group to be launched by the end of the first quarter of 2020. Our communications plan is now in delivery focused on ongoing commentary about the digital strategy and the North East Digital community, and highlighting progress on the four priority themes. Digital strategy and steering group to feature on cover of NET Tech Issue out in March following interview. 	Laura Partridge	G
Health and life sciences programme			
<ul style="list-style-type: none"> Working with the Steering Group refresh the project pipeline in the context of the evidence base and the aims and objectives of the Strategic Economic Plan and Local Industrial Strategy Health and life sciences eco-system development Develop an influencing plan to promote and develop NE Life Sciences development 	<ul style="list-style-type: none"> The Health and Life Sciences Steering Group have a Strategy workshop in March to review the updated evidence and agree the objectives and ambitions of the HLS Strategy for the North East Communications Strategy will be developed alongside the HLS economic growth strategy It is expected that the draft Strategy will be presented to the Board in the Summer 	Katherine Forbes	G

Communications update

March 2020

Total followers		Followers increased by	Total reach	Impressions since January
Twitter	11,325	(+2.8%)	Twitter	204,622
LinkedIn	6,056	(+6.1%)	LinkedIn	47,692
			since January	

Top performing LEPs on Twitter:



Top posts:

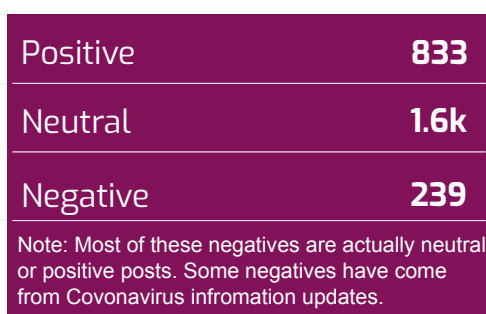
■ Paid ■ Organic

Twitter	Reach	Engagement	Clicks	Retweets
Just a week left to put forward a nominee in this year's Institute of Physics (@PhysicsNews) awards. Do you know of a North East apprentice, appren-	11,007	42	7	9
Our Skills Director, @MichelleRainbo4, spoke to @NETimesMagazine as part of #NAW2020. Read how some of the region's	5,357	34	6	6
Find out how you could showcase your business to the workforce of the future by building links with North East colleges & sixth forms. We have a	5,293	64	9	15
LinkedIn	Reach	Engagement	Clicks	Likes
The shortlist has been announced for this year's Northern Power Women Awards and it's great to see lots of North East names. Congratulations to	1,990	7.47%	120	25
Do you have an excellent track record of providing communications advice to a range of innovative programmes? We're looking for a Communications	1073	7.36%	49	13
"Opportunity North East is an absolute determination that no child should be left behind." - #EducationChallenge Lead, Neil Willis, reflects on the impact	499	6.21%	19	9

Mentions:



Sentiment:



Highlights:



Upcoming events:

14 May: Our Economy

Priority actions for the next two months:

Action 1:

Embed the internal communications strategy following approval by Chief Exec and SMT.

Action 2:

Paperwork was more complex than initially anticipated for the procurement of a digital supplier, so there has been a slight delay. Current framework has been extended to March 2020.

Website performance summary:

Audience		Top five news pages	
			views
Visitors	9,469	/news/steering-group-formed-to-support-north-east-digital-strategy	988
Total page views	59,879	/news/north-east-lep-expands-innovative-ford-next-genera-	671
Average session duration	2m28s	/news/energy-for-growth-team-expanded-through-new-appointments	518
		/news/silverdale-school-looks-to-boost-talent-pipeline-with-business-event	282
		/news/rural-decarbonisation-challenge-launchedreers-hubs-for-the-region	276
Traffic source		Top five pages	
	views		views
Organic	4,630	Home	10,960
Direct	2,946	About/-executive-team	3,553
Social	1,394	The-plan	2,785
Referral	546	Projects	2,521
Email	254	About	2,020



North East

Local Enterprise Partnership



Info@nelep.co.uk



uk.linkedin.com/company/north-east-lep



0191 338 7420



www.northeastlep.co.uk



[@northeastlep](https://twitter.com/northeastlep)



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



Date: 19 March 2020

Item 6: Urgent decision made by the Chair since the last Board meeting

1.0 Background

1.1 The Strengthening LEPs Review (2018) required all LEPs to have no more than 20 members, of which no more than one-third can be from the public sector. Compliance needed to be notified to the Government by 29th February 2020. An urgent decision by the Chair was being taken to meet this deadline as the next LEP Board meeting was 19th March 2020.

2.0 Urgent Decision Procedure

2.1 The North East LEP Board Constitution – 2011 appendix 4, paragraph 3 reads:

(3) The Chair, acting in consultation with the Vice-Chairs, may take a decision which would usually be determined by the Board if the decision is required as a matter of urgency. However, the decision may only be taken: -

- a) If it is not practical to convene a quorate meeting of the Board; and
- b) The reasons why it is not practical to convene a quorate meeting of the Board and the Vice-Chairs consent have first been noted on the record of the decision.

(4). Following the above decisions, the Chair will provide a report to the next available Board meeting, explaining the decision, the reasons for it and why the decision was treated as a matter of urgency as applicable.

2.2 The LEP Board Chair consulted with the three Vice Chairs and all confirmed their agreement in writing to make the decision. There was insufficient time from reaching an agreement with the two combined authorities to take the decision to a LEP Board and also meet the deadline set by Government.

3.0 The Decision

3.1 The current LEP Board has 19 members and seven public sector members. The Board is required to reduce the public sector members to no more than six. The matter has been discussed over a number of months, with several options being considered by the seven public sector members of the Board.

Each combined authority wrote to the Chair and agreement was reached on the following, where:

- Each combined authority (The North of Tyne Combined Authority and

the North East Combined Authority) shall nominate three members each to the LEP Board annually.

- Each combined authority can also nominate a fourth attendee with 'observer' status.
- The observer from each combined authority can substitute for any nominated member from the same combined authority at a LEP Board to ensure that meetings are quorate.
- The observer can be a full member of a LEP Advisory Board whilst holding 'observer' status on the main LEP Board.

3.2 After consulting with the three Vice Chairs and gaining their approval, the Chair notified Government that from 01 April 2020, the Board would reduce its public sector members from seven to six as above. The Chair also wrote to the two Combined Authorities seeking their three member and one observer nominees by the date of this Board.

4.0 Recommendation

4.1 The Board is recommended to note the urgent decision taken by the Chair.

19 March 2020

ITEM 7: Chair Recruitment

1.0 Background

1.1 At the last Board meeting, the LEP Chair notified the Board of his intention to step down from the Board once a replacement Chair is in place. He asked the private sector Vice Chair (Heidi Mottram) to lead the Chair recruitment process and to take soundings from all of the Board Members about the best way to find a new Chair. This short paper sets out the proposed next steps following the discussions that have taken place since the last meeting.

2.0 The Constitution

2.1 For reference purposes, the relevant paragraphs of the LEP Constitution (2011) state that:

- Paragraph 3.4 - “The Chair and non-local authority Board Members of the NELEP shall be appointed for a term of three years, through public appointment and interview.”
- Paragraph 4 – “The Board shall appoint its Chair and Vice Chairs;”
- Paragraph 5.1 – “The Chair of the NELEP shall be from the private sector.
- Appendix 5 paragraph 1b – “Election of Chair and Vice- Chair:the Board shall elect from amongst its members a Chair and the Vice-Chairs. Board Members shall make appropriate arrangements amongst themselves to put forward nominees for these appointments. Any vacancy arising in any of these offices shall be filled at the next meeting following the occurrence of the vacancy.”

3.0 Progress so far

3.1 Heidi has spoken to Board Members and will verbally update the Board at the meeting.

3.2 The recommendation flowing from the conversations is to create a Nominations Committee to oversee the recruitment. The Board is asked to consider the membership of the Nominations’ Committee and

whether the proposal to have the three Vice Chairs of the LEP Board provides the optimum membership solution or whether a further independent member should be sought.

- 3.3 The Board is also asked to consider whether the Chair's role should be remunerated. About one-third of LEP's nationally have a chair that is remunerated circa £20/25K per annum.

4.0 Role of the Chair

- 4.1 The Constitution sets out in appendix three that the role of the Chair is to:

- ensure efficient conduct of the Board's business;
- ensure, where possible, that all Members are given the opportunity to express their views before decisions are taken;
- establish a constructive and supportive working relationship amongst Board Members;
- ensure that the Board delegates sufficient authority to its Sub-Groups, the Chair, and others to enable the business of the NELEP to be carried out effectively between Board meetings, and also to ensure that the Board monitors the use of these delegated powers;
- ensure that actions comply with the Constitution;
- represent the NELEP as appropriate;
- work in consultation with other Board Members to take any decision delegated to the Chair;
- seek to ensure the Board receives professional advice when needed either from its Executive Support or external sources.

- 4.2 The Board may wish to discuss their expectations for a new Chair at the Board meeting to inform the actions of the proposed Nominations Committee.

5.0 Recommendation

- 5.1 The Board is recommended to:

- a) Approve the creation of a Nominations Committee made up of the three Vice Chairs of the LEP Board, and also determine whether the membership should have an additional external representative or not;
- b) Agree that Heidi Mottram (Private Sector Vice Chair) will lead and chair the Nominations Committee;
- c) Determine whether the Chair's role should be remunerated or not;
- d) Delegate authority to the Nominations Committee to appoint a new Chair on behalf of the North East LEP Board.

19 March 2020

**ITEM 9: North East Combined Authority
Economic Strategy**

1.0 Background

- 1.1 The purpose of this report is to provide an update on work to produce an Economic Plan for the North East Combined Authority (NECA) area.
- 1.2 Leaders of the four constituent NECA local authorities (Durham, Gateshead, South Tyneside and Sunderland) have led work to develop an Economic Plan for the NECA area. This plan is being designed to be compatible with and supportive of both the North East Strategic Economic Plan and the emerging North East Local Industrial Strategy, as well as reflecting important local priorities and opportunities. The exercise has helped develop clarity over where fruitful collaboration between the four authorities within NECA will produce most benefit and a better understanding of the NECA economic geography, the challenges it faces and the opportunities it presents within the wider regional context.

2.0 Proposals

- 2.1 A presentation will be made to the LEP Board setting out at a high level the results of the development work and the emerging priorities it has strongly indicated are worth pursuing.

3.0 Reasons for the Proposals

- 3.1 It is important that NECA understands the strengths it has, challenges it faces and opportunities it presents and how these can be harnessed within the context of plans and resources for the wider region.

4.0 Recommendations

- 4.1 The North East LEP Board is recommended to note and provide any comments on the presentation once delivered by NECA at the meeting.