

North East Local Enterprise Partnership Board



Thursday 23 May 2019

17.00 – 19.00

Venue: **Eagles Community Arena, Scotswood Road,
Newcastle, NE4 7AF**

AGENDA

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 21 March** (5.00pm)
The Board will be asked to agree the Minutes.
4. **SEP Delivery Plan** – paper attached (5.05pm)
Helen Golightly to present to the Board.
5. **Annual Delivery Plan 2019/20** – paper attached (5:15pm)
Helen Golightly to present to the Board.
6. **Budget update – 2018/19 outturn position and illustrative three years' budget** - paper attached (5.25pm).
Paul Woods to present to the Board.
7. **LEP Governance** – paper attached (5.35pm)
Helen Golightly to present to the Board.

Items 8, 9 and 10 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.

8. **Local Industrial Strategy Update** – paper attached (5.45pm)
Helen Golightly and Richard Baker to present to the Board.
9. **North East Investment Fund Review** - paper attached (6:30pm)
Paul Woods to present to the Board.
10. **Funding update and decisions** – paper attached (6:45pm)
Paul Woods to present to the Board
11. **Any Other Business** (6.55pm)
12. **Next meeting at The Beacon of Light, Sunderland** - Thursday 25th July 2019 from 5-7pm

23 May 2019

ITEM 4: SEP Programme Delivery Update

1.0 Purpose of Report

- 1.1 This report aims to provide 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

- The North East LEP supported the Gender and Entrepreneurship North East (GENE) successful bid for Rake funding to deepen regional insights into barriers related to gender.
- Referrals to business support and finance providers continue to accelerate with 1,136 referrals during April 2019 – up 26% on same period last year.
- £500,000 LGF was secured to deliver a pilot High Potential Start-Up Programme of support.
- The Brexit Toolkit has been refreshed. The Growth Hub Connect provides a direct response to deploy for economic shocks or changes.
- Invest North East England lead generation contract ends 31 May 2019. The tender process for a new contract is underway.

Innovation

- Nine submissions were received into the North East Innovation Challenge at the end of April from organisations across Europe.
- Two projects from the Incubator Support Fund were approved during May: Fenwick Incubator and Woods II Incubator.
- Finance Camp to be held on 22nd May 2019.
- Consultants have been appointed to support the next stage of development of the potential Innovation Business support programme, which is preparing the region for the UK Shared Prosperity funded programme.

Skills, employment, inclusion and progression

- 152 of the 182 schools in the region are now engaged with the North East Ambition Programme, with 101 of these also matched with an enterprise advisor.
- The Education Challenge pilot schools have submitted their final masterplans to Ford Next Generation Learning to be appraised for school designation. In June 2019 a celebration event will take place followed by a 2-day International Summit on the Future of Education hosted by The Edge Foundation. 28 schools and colleges have expressed an interest in being involved in the next phase.
- The second stage of the media campaign for Live Work Stay is underway with strong social media engagement, figures for which will be shared in due course.
- A North East bid for an Institute of Technology has been successful led by New College Durham, in collaboration with several FE providers, Newcastle University and several employers.

- There is still a substantial amount of the allocation of European Social Fund not under contract, with a relatively small time to deliver compliant and impactful interventions. The ESIF committee, the ESF working group and the LEP are working together with the Managing Authority (DWP) to look at ways that this can be maximised.

Transport

- A project delivery team has been established for the region's Transforming Cities bid. An external consultant team has been commissioned to support important technical aspects of the bid. The team is engaging constantly with the Department for Transport and key stakeholders to ensure all requirements are captured and delivered.
- A discovery project has been undertaken by Nexus, which has led to a compelling proposition for mobility innovations that has wide support in the city region. An expression of interest to become a Future Mobility Zone, working with transport operators, universities and other key partners, will be submitted to DfT in May 2019.
- The Sunderland Electric Vehicle Filling Station opened in April 2019 with the sister station, located in Newcastle Helix, to be operational by summer 2019.
- Newcastle International Airport's Masterplan 2035 was adopted by its Board and will be published on their website. Route development work is ongoing, but commercially confidential.
- New regional inbound tourism website www.visitnortheastengland.com is now live and campaigns are underway in several overseas markets. Work is continuing with VisitBritain on the Gateway project.

Investment and Infrastructure

- The LGF budget for 2018/19 is fully spent, and the 2019/20 budget of £28m is confirmed by Government.
- NEIF review work is progressing with separate report to LEP Board for discussion.
- EZ delivery progress is mixed. Income for 2018/19 is as forecast, but projections for the following three years is significantly reduced, but the surplus is maintained. Separate report to the LEP Board for discussion.
- Pipelining work for the Local Industrial Strategy (LIS) is underway, leading to a series of propositions that will be included in the LIS submission to Government. Separate report to the LEP Board for discussion.

Communications

- The North East LEP is now the most followed LEP in the country on Twitter, with follower numbers up 2.9% on the last period.
- Our Economy Report 2019 was launched at the Crowne Plaza to an audience of 220. The #oureconomy2019 was trending nationally on Twitter and the video explaining the SEP, which was also launched at the event, was viewed over 6,000 times on its first day online.

3.0 Recommendations

- 3.1 The Board is recommended to note the contents of the report and the appendix.



North East Strategic Economic Plan **Programme Delivery update**

23 May 2019



Performance against Strategic Economic Plan targets since 2014 (Last updated Apr 2019)

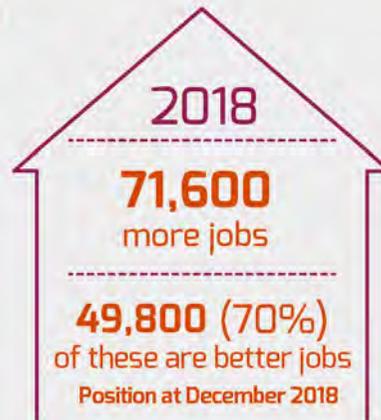
Target Increase the number of jobs in the North East economy by 100,000 by 2024



Position at December 2018



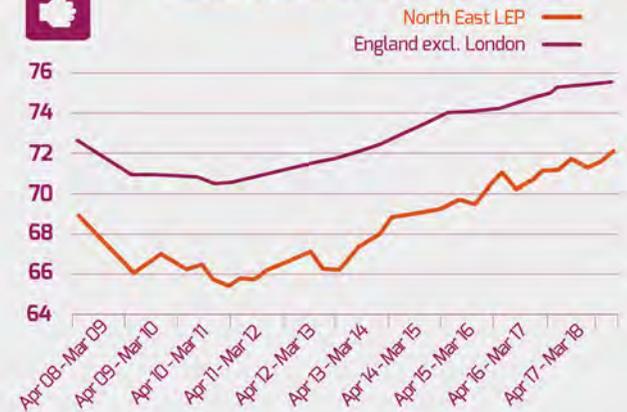
Target 70% of all jobs created from 2018 will be better jobs



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



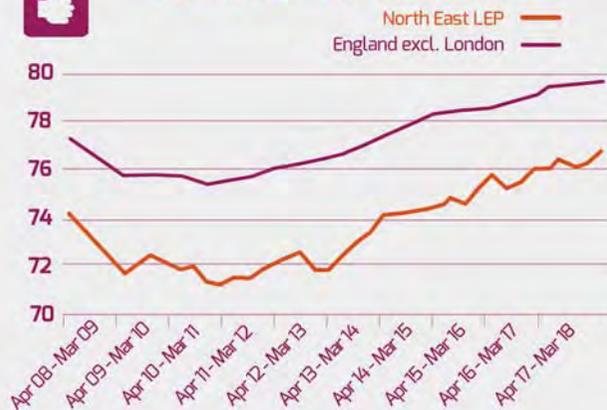
Position at December 2018: 34% reduction



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



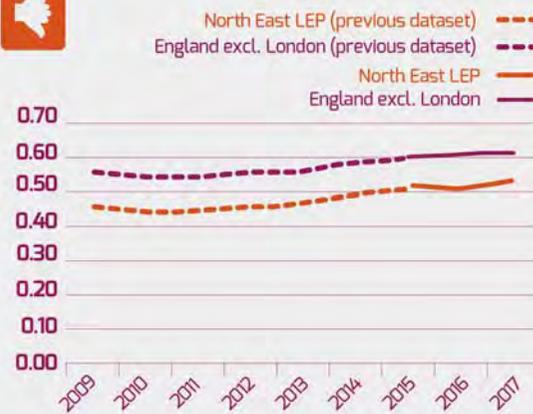
Position at December 2018: 15% reduction



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



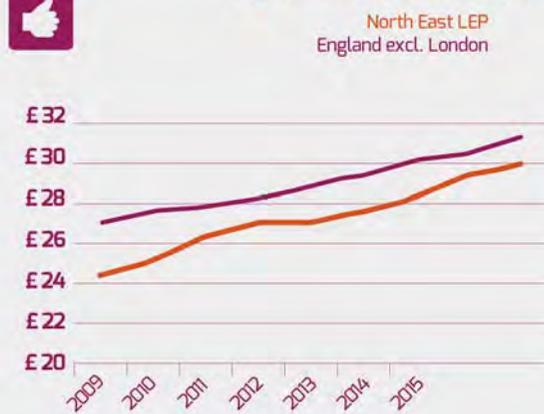
Position at 2017: 5% increase



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



Position at 2017: 29% reduction



Business Growth Programme | Lead: Colin Bell

Ambition for 2024

Our ambition for the North East is 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 jobs 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 strengthen the visibility of opportunities for investment in our economy.

SEP Action	Progress/ current position	High level risks	Lead	Status
Raise levels of business growth ambition				
<p>Key deliverables:</p> <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"> • In discussion with regional Universities as to how they can support our research programme. • Request made to BEIS to access regional data from national Small Business Survey. • Supported Gender and Entrepreneurship North East (GENE) successful bid for Rake funding to deepen regional insights into barriers related to gender. • Third meeting with intermediary network taking place on 22 May – session will focus on LIS development. 	<ul style="list-style-type: none"> • Attracting resource to support research requirements. • Driving awareness • Maintaining relationships 	<p>Colin Bell</p> <p>Dinah Jackson</p>	A
Increase demand for external business support and finance				
<p>Key deliverables:</p> <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 ethnics groups 	<ul style="list-style-type: none"> • Referrals to business support and finance providers continue to accelerate with 1,136 referrals during April – up 26% YoY. • The Brexid toolkit has been redesigned to reflect the shifting situation. • 3 x Growth Hub Connectors are now fully operational - 230 businesses supported to the end of March 2019. • High Intensity support impact projections are strong: <ul style="list-style-type: none"> • 1,014 jobs are forecast to be created by 117 companies, • 78% of which are better jobs, • GVA uplift of £71.2m. • Average GVA per job forecast to increase by £6.7k. • £18.4m capital released for 113 investments through the North East Fund. 94% of year 1 target achieved with investments in all parts of LEP region. • RDPE Growth Programme: 44 projects contracted, £1m under programmed as result of 50% drop out rate. • RGN programme contracted to deliver 100%+ of jobs target. 37 projects complete/underway. 92% grant committed; 69% programme spend; 59% programme jobs created/safeguarded (188 against lifetime target 321 jobs). 	<ul style="list-style-type: none"> • Maintaining quality performance with new supplier • Fulfilling demand. • Maintaining high quality of delivery. • Failure to attract high quality projects • Demand exceeds resources. 	<p>Jen Robson</p> <p>Helen Lee</p> <p>Colin Bell</p> <p>Michelle Rainbow</p> <p>Dinah Jackson</p> <p>Dinah Jackson</p>	G

SEP Action	Progress/ current position	High level risks	Lead	Status
Ensure the supply of external business support and finance matches the needs of business and the economy				
<p>Key deliverables:</p> <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 assesses 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 Work with partners to enhance access to high quality solutions designed to tackle barriers to scaling up Work with the Department for International Trade (DIT) and local partners to develop an internationalisation strategy that supports the national Export Strategy in achieving its goal of moving exports from 30% to 35% of GDP 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"> Add Specialists procured to undertake review of business support and finance ecosystem and to inform the development of Growth Hub 2.0. North East Growth Hub and Supply Chain North East <ul style="list-style-type: none"> Working with Offshore Wind Sector Deal team to run regional integrated pilot programme. Working with Automotive Sector Deal team to integrate with National Manufacturing Competitiveness Levels. Work continues to support businesses bidding for £350mil Nexus Metro contract to engage local suppliers. Supported regional Heathrow Supplier Summit. Working with Hitachi to support supply chain development. Following successful Be the Business mentoring pilot programme we are working with Greater Manchester's Growth Company to support full national rollout. Bid submitted to BEIS Business Basics 2 programme in partnership with Sheffield, Greater Birmingham and Solihull LEPs and the Enterprise Research Centre to pilot an innovative approach to encouraging Digital Adoption. £500k LGF secured for Pilot High Potential Start-Up Programme. Steering Group input continues. The North-East internationalisation strategy being developed in partnership with DIT as part of the LIS process. The Growth Hub Provider Network has undertaken further CPD sessions in April (access to finance) which received excellent feedback. 	<ul style="list-style-type: none"> Lack of control over current funding landscape results in programmes that do not match the needs of businesses. National programmes are introduced in such a way that they do not effectively integrate locally. Slow progress on SPF means that future ecosystem development is delayed. 	<p>Dinah Jackson</p> <p>Colin Bell</p> <p>Helen Lee</p> <p>Colin Bell</p> <p>Colin Bell</p> <p>Colin Bell</p> <p>Helen Lee</p>	G
Improve the region's economic resilience				
<p>Key deliverables:</p> <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 solutions 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"> Brexit Toolkit has been refreshed. Performance varies in line with the recent movements of the EU Exit timetable. Growth Hub Connect provides direct recourse to deploy in response any economic shocks or changes. Supply Chain North East now actively assists >50 businesses to diversify in to new markets, supply chains and geographies. LIS development session scheduled 29th May with the Growth Hub Provider Network to inform future business support and funding landscape. Multi agency Rapid Response Taskforce in place - and will be mobilised as and when required. 	<ul style="list-style-type: none"> Brexit outcome/process causes a significant shock. National resources cannot be secured/directed to deal with significant shocks. Brexit causes unforeseen challenges. 	<p>Colin Bell</p> <p>Colin Bell</p> <p>Colin Bell</p>	A

SEP Action	Progress/ current position	High level risks	Lead	Status
Grow inward investment in the region				
<p>Key deliverables:</p> <ul style="list-style-type: none"> • Combined and local authorities, the North East LEP, DIT and the 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 SEP's areas of strategic importance and support services • 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"> • Hub and spoke delivery model continues with Invest North East England (INEE) providing the strategic inward investment service for the LEP area working with the seven local authorities, the two combined authorities, and other partners. INEE is first point of contact with DIT Investment Services and the DIT Northern Powerhouse teams. In 2018/19 there have been 84 inward investments into the region creating 2,796 new jobs. Of these, 58 were from foreign-owned companies (both new or re-investment projects) creating 1,841 jobs. 26 were new UK projects creating 955 new jobs • Current lead generation contract ends at end May 2019. Evaluation to date of the current contract shows 2 project wins (another due imminently), 10 regional visits, and 1,150 jobs connected with active projects on the pipeline sourced through the contract. Tender process for a new contract underway. • INEE (through NECA) continues to deliver the DIT Key Account Management Programme through circa £153k of DIT Northern Powerhouse funding. NECA sub contracted with six local authorities to deliver this, with excellent results. DIT confirmed similar levels of funding for 2019/20. INEE working with local authorities to access key information gleaned from account management activity • INEE communications and marketing plan developed with input from the LEP and the seven local authorities. This is reviewed and updated regularly. 	<ul style="list-style-type: none"> • Impact of Brexit on ability to attract new FDI. • Absence of access to financial incentives impacts interest. • The creation of the North of Tyne Combined Authority may confuse the inward investment landscape for investors or dilute the current regional model. • Lack of certainty of medium term funding availability makes strategic planning of contracts difficult. • Availability of DIT resource post 2019/20 is unknown. 	Guy Currey	A

Innovation Programme | Lead: Alan Welby

Ambition for 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.

SEP Action	Progress/ current position	High level risks	Lead	Status
Stimulate new business opportunities through the North East Open Innovation Challenge				
<p>Key deliverables:</p> <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"> Challenge through the Invite programme launched in partnership with North East Automotive Alliance on 24th January. Deadline for submissions was closed on the 24th April with 9 submissions from across Europe. Work will continue to partner SMEs from Europe with NE digital SMEs. Evaluation of submissions is in progress. Agreement to hold a sprint to outline Challenge programme in Autumn 2019 building on engagement at the NWG innovation festival. This will be worked with the Innovation Super Network. 	<ul style="list-style-type: none"> The Challenge programme fails to gain traction among North East businesses Administering the “brand” becomes too time-consuming and challenging. 	Alan Welby	A
Prioritise a regional pipeline of projects to form a Strategic Investment Programme				
<p>Key Deliverables:</p> <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 Prioritisation EOI call launched in mid March. Submissions to be evaluated by May Innovation Board and then brought to Main LEP board for endorsement. Pipeline projects will form part of LIS key propositions. Two projects from the Incubator Support Fund approved: Fenwick Incubator and Woods II Incubator Ongoing work with 2 North East Strength in Places proposals that were selected to proceed to next round of funding. The PRISMs Northern Powerhouse bid led by CPI was asked by UKRI to merge with another bid led by University of York. The two proposals were unable to be merged so this project will not proceed in this call. CPI anticipate submitted a revised bid for the recently launched Strength in Places Wave 2 call. The wave 2 round will close in October and the LEP will host a partner workshop with Innovation Super Network in June. 	<ul style="list-style-type: none"> Process becomes too bureaucratic and does not add value Updating the Innovation Board becomes a paper exercise rather than a genuine challenge and support process. 	Alan Welby	G

SEP Action	Progress/ current position	High level risks	Lead	Status
Support our businesses to capitalise on local research and innovation capability				
<p>Key deliverables;</p> <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"> Ongoing work to engage with catapults and universities through the Local Industrial Strategy including 3 proposition workshops – the North East Demonstrator offer / Role of HEIs in LIS and joint Catapult working. Catapults are jointly scoping an Innovation Delivery Partnership in Digital Twin capability. Successful launch of the National Healthcare Photonics Centre (part funded though LGF on the 19th March). Emerging proposals for CESAM, IC3 and Rural Innovation programme in train. One project from the Innovation Project Development Fund approved: Centre for Chinese/UK Digital Business Development 	<ul style="list-style-type: none"> Key partners focus on their national/ international priorities rather than local role Businesses fail to benefit from engagement due to lack of alignment and focus by providers. 	Alan Welby	G
Increase private sector investment into growing innovation businesses				
<p>Key deliverables:</p> <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"> Ongoing development of Venture Fest 2019 Finance camp to be held on 22nd May Alan Welby sat on the second round Pre-incorporation Funding Panel for Northern Accelerator projects: 11 applications selected (8 x Proof of concept, 3 x Feasibility) worth a total of £368,242 	<ul style="list-style-type: none"> Investment sources are not found to increase private sector investment Current provision fails to adapt to changes in need and demand. 	Alan Welby	A
Engage partners to identify and drive business growth through an Innovation Sectors and Competencies Programme				
<p>Key deliverables</p> <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"> Stage 1 programme in delivery taken forward with the Policy and Strategy Team to support the development of the Innovation Framework and LIS Technopolis have been appointed to deliver this and are currently engaging with partners including the Innovation Board, local authorities, universities, assets and private sector actors – draft report in progress. This will feed into the LIS. The Innovation team is working up with partners the concept of Innovation Delivery Partnerships – formalised regional approaches to driving economic growth on specific niche areas. This has clear alignment to the LIS and aims to great robust delivery structures aligned to our competency capabilities. There is a clear read across to emerging prepositions from the Project pipeline process. 	<ul style="list-style-type: none"> Research findings provide a significant challenge to the current SEP approach Approach fails to build in suitable buy-in from partners. Research fails to result in action and practical delivery. 	Alan Welby	G
Coordinate regional partners to provide enhanced innovation support activity				
<p>Key deliverables</p> <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"> Consultants appointed to support next stage development of potential Innovation Business support programme. This is preparing the region for a potential Shared Prosperity funded programme. The emerging programme will be fully integrated into the Growth hub. Next stage of the programme of workshops with delivery partners to take place in early June and will be developed and delivered with Innovation Super Network 	<ul style="list-style-type: none"> Complexity of business support model remains Concern over long-term funding holds back engagements from delivery bodies. 	Alan Welby	G

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 high productivity. To deliver 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 ambitious 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.

SEP Action	Progress/ current position	High level risks	Lead	Status
Deliver North East Ambition				
<p>Key deliverables:</p> <ul style="list-style-type: none"> • Develop a primary school benchmark pilot that could influence the national careers strategy • Adoption of the Gatsby Good Career Benchmarks by all secondary schools and colleges • Secure and deliver a £3.4m North East Ambition programme that ensures our education system provides young people with the skills to meet long-term needs of the North East economy 	<ul style="list-style-type: none"> • The LEP is co-funding a pilot to deliver the Primary Pilot with the EY foundation consisting of 70 schools. • Facilitators have been appointed and the pilot has been launched. Schools are currently preparing the first audit. • We have engaged 40 schools and 10 colleges through careers hubs, intensively supporting the adoption of the Gatsby benchmarks • Following visits to all 40 Hub schools a report has now been completed which summarises key findings including successes, challenges and plans for the next stage of the pilot. • A series of summer term benchmark workshops and area meetings have been circulated and all Hub schools have been encouraged to attend. • The next full Hub meeting will take place at the Regional Careers Leaders meeting on Friday 5 July. • 152 of the 182 schools in the region engaged, 101 of these are now matched with an enterprise advisor. • The North East Ambition Programme was approved in February 2019 and delivery against outputs began in Q1 2019. 	<ul style="list-style-type: none"> • DfE does not implement the 'primary settings' phase of the Careers Strategy or choose an alternative framework. • A lack of intensive support outside the hubs could mean that schools do not commit to implementing the benchmarks • ESF programme risks will be managed by an experienced claims and compliance officer. 	Michelle Rainbow	G
Deliver Education Challenge				
<p>Key deliverables:</p> <ul style="list-style-type: none"> • Partner with the Department for Education and others to consider the allocation of the £24m 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 schools leadership, high quality CPD, rich employer engagement, early preparation for the next stage, a focus on wider skills, student well-being and teaching and learning through applied learning, project based learning and oracy skills. 	<ul style="list-style-type: none"> • 15 schools in Phase 1 are currently undergoing a three-pronged diagnostic process, with directed support to begin in September 2019, a further 15 schools will follow in phase 2 in the autumn term. • We are currently working with Northumbria University as part of the Primary Placement opportunities for teachers and lecturers: • The Edge Foundation, as key partners, have recruited a coordinator who will work in the North East LEP to drive the uptake of teacher industry placements. • Continue to support organisations to recruit governors. Celebration event on June 12th. Working with an National Lead Governor and Newcastle University to develop a sustainable approach to recruiting undergraduates to school governing bodies as part of the volunteering offer. • The pilot schools have submitted their final masterplans to Ford Next 	<ul style="list-style-type: none"> • Insufficient funding to make sustainable long-term impact • Insufficient funding to be able to implement at the scale required. • Evidence through the pilot is insufficient to convince DfE to make statutory recommendations • Funding has been sourced for the 	Michelle Rainbow	G

SEP Action	Progress/ current position	High level risks	Lead	Status
	<p>Generation Learning to be appraised for school designation. In June 2019 a celebration event will take place followed by a 2-day International Summit of the Future of Education hosted by The Edge Foundation. 28 schools and colleges have expressed an interest in being involved in Phase 2.</p>	<p>continuation of this work for a further 12 months – to December 2020.</p>		
Improve skills progression				
<p>Key deliverables:</p> <ul style="list-style-type: none"> • Develop a list of the region’s assets within FE, HE and other providers to inform future investment and provision • Promote the North East as a potential location to pilot a system to help individual recognise and record their transferrable skills • Work with the Apprenticeship Growth Partnership and other partners to increase the number of apprenticeships available at all level 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 focusing on careers and opportunities • Promote the North East as a location to ‘Live Work and Stay’ for recent graduates and skilled workers 	<ul style="list-style-type: none"> • An analytical toolkit and accompanying list of useful data sources have been published to support Skills Advisory Panels to carry out high quality local skills analysis and identify their existing and future skills gaps and employment priorities. • The LEP and other partners are currently scoping the pilot programme for transferable skills. The pilot will be influenced by the findings in the Taylor Review • The Apprenticeship Growth Partnership meetings continue and the LEP is supporting national campaigns to raise awareness and promote apprenticeships to employers, young people, schools. • We now have two LEP representatives who sits on the Apprenticeship Ambassador Network (AAN) which is a group of employers whose main aim is to spearhead the drive to engage new employers to commit to apprenticeship delivery. • Working with ESFA the LEP has produced an Employers toolkit which is located on the North East Growth Hub • We continue to work with the four universities in the region and Universities UK to shape a pilot programme. A call for proposals from the Office for Students was issued in late 2018, the LEP provided support to bidders • Phase 2 of the media campaign for Live Work Stay is underway with strong social media engagement, figures for which will be shared in due course. 	<ul style="list-style-type: none"> • SAP analysis baseline is funded for one year. • A source of funding for the pilot is not found. • Emerging government policy on T-Levels placements may result in reluctance from employers to provide apprenticeships. 	Michelle Rainbow	G
Increase youth employment				
<p>Key deliverables:</p> <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 and 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 built into school, FE and HE courses, exploring new model of delivery including working to secure and 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 NE continues to develop its fully digital support offer for young people. A full Randomised Control Trial evaluation of this service has begun and new services, are due to be launched later in 2019. • Links to Work is the DWP ‘Opt-In’ programme for the NE. As previously reported, the DWP did not grant the requested extension and the programme is scheduled to end by December 2019 • Data indicates that the patterns of apprenticeship uptake are changing with the number of people taking an apprenticeship at a higher level increasing but Level 2’s are decreasing. • It is envisaged that digital skills shortages will feature strongly, as research carried out by IPPR, the evidence base for the renewed SEP and others including digital sector member organisations have highlighted. • A North East bid for an Institute of Technology has been successful and has been invited to start to develop the first IoT in the region. New College Durham led the bid, in collaboration with a number of FE providers, Newcastle University and several employers. • The development of T Levels is underway with several North East pilots and more broadly there is a renewed focus on digital skills training in most provision for learners across all age groups. 	<ul style="list-style-type: none"> • The majority of activity within this region is funded through European Funds. Details of funds to replace them have not yet been provided • The potential inability to identify ways in which to fund either through existing routes or pilot projects • The digital sector is fast moving, and skills programming can lag behind the sector, reducing effectiveness. 	Michelle Rainbow	G

SEP Action	Progress/ current position	High level risks	Lead	Status
Improve labour market activation				
<p>Key deliverables:</p> <ul style="list-style-type: none"> • Continue to develop holistic packages 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 of 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 resources best practice 	<ul style="list-style-type: none"> • Mental Health Trailblazer is delivering integrated employment support and psychological therapy to jobseekers with mental health conditions. An evaluation will be published by Behavioural Insights Team in May 2019. • As the project is due to complete in December 2019, sustainment of the model or similar activity are a priority, to avoid a significant gap in provision across the LEP area. • This is part of an ongoing wider piece of work focusing on 'Good Work'. Further detail will be provided the work develops. • There has been an upturn in the numbers of seminars and events in 2018/19 promoting the benefits of BHAWA and sharing HR best practice. The LEP are promoting the Award and having achieved the Bronze Award are now working towards the Silver Award. 	<ul style="list-style-type: none"> • The majority of this type of activity within this region is funded through European Funds. Details of funds to replace them have not yet been provided • Emerging strategy and will require robust evidence from partner organisations • Slow uptake of Better Health at Work Scheme. 	Michelle Rainbow	A
Ensure connected communities				
<p>Key deliverables:</p> <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 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. • There is still a substantial amount of the allocation of European Social Fund not under contract, with a relatively small time to deliver compliant and impactful interventions. The ESIF committee, the ESF working group and the LEP are working together with the Managing Authority, DWP, to look at ways delivery of programmes can be maximised • This 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. 	<ul style="list-style-type: none"> • The majority of activity within this region is funded through European Funds. Details of funds to replace them have not yet been provided • The short time available to programming with ESF funds 	Michelle Rainbow	A
Help deliver Fuller Working Lives				
<p>Key deliverable:</p> <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"> • The LEP highlighted the FWL strategy at sector events including CBI Diversity Conference, BIONow, NOF, Tech Talent Charter and People Power. The FWL toolkit is now live via the North East Growth Hub. • The DWP central policy team for FWL continues to attend our Task & Finish Group and is supportive of our strategy. 	<ul style="list-style-type: none"> • Strategy does not maximise opportunities for the North East. 	Michelle Rainbow	A

Transport connectivity | Lead: Philip Meikle

Ambition by 2024

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.

SEP Action	Progress/ current position	High level risks	Lead	Status
Ongoing transport project delivery				
<p>Key deliverables:</p> <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"> Delivery of the Metro Asset Renewal Programme continues to plan with £308m now invested in infrastructure renewals since 2010. Work in the remaining 2 years is focussed on track renewals between Gateshead and South Shields together with system wide Overhead Line Equipment replacement. Track renewal work between Gateshead and Felling is on site and progressing to plan. Additionally, over the next 2 years, 'halt' stations continue to be refurbished, maintenance of the signalling systems will be undertaken and new system wide CCTV cameras will be installed. Through the GUL project a total of two EV filling stations and 11 rapid charging hubs will be delivered by the end of 2019. The Filling station in Sunderland opened in April and was positively received. The second station will be opened by the end of the Summer. Furthermore, we have been successfully awarded funding to install 10 charging points around the region. The charging points will be specifically for the taxi trade. Delivery of the LGF transport programme is progressing well. Schemes are at various stages of delivery, risks are being actively managed and progress is being monitored. Completed schemes are required to fulfil ongoing monitoring requirements. 	<ul style="list-style-type: none"> Beyond 2020/21 funding for Metro Infrastructure renewals is unconfirmed Delay to the installation of rapid charging clusters due to external factors Projects slip outside LGF funding period. Projects do not deliver specified outputs and outcomes. 	<p>Tobyn Hughes</p> <p>Philip Meikle</p> <p>Philip Meikle</p>	G
Secure funding from Transforming Cities Bid and commence delivery				
<p>Key deliverables:</p> <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"> A project delivery team has been established to produce a high quality bid. A high quality consultant team has been commissioned to support important technical aspects of the bid. The team is engaging constantly with the Department for Transport and key stakeholders to ensure all requirements are captured and delivered. An initial allocation of £10m funding was awarded to the North East in February 2019 for Tranche 1. A discovery project has been undertaken by Nexus, which has led to a compelling proposition for mobility innovations that has wide support in the city region. An expression of interest to become a Future Mobility Zone, working hand in hand with transport operators, universities and other key partners, will be submitted to DfT in May 2019. 	<ul style="list-style-type: none"> Lack of agreement regionally about the schemes that comprise the funding programme. Government is unable to provide funding for our Future Mobility Zone. 	<p>Philip Meikle</p>	G

SEP Action	Progress/ current position	High level risks	Lead	Status
Deliver better connectivity through improved infrastructure				
<p>Key deliverables:</p> <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"> A19: Silverlink junction improvement scheme opened on 1st April. Construction is about to commence on Testos/ Downhill Lane, which will create a free flowing A19 between North Yorkshire and Northumberland. The region has highlighted Moor Farm and Seaton Burn for inclusion in Roads Investment Strategy (RIS2). A69: two junction schemes in the Hexham are due to commence to improve flow. A66: Planning for the dualling scheme is progressing with route announcements due in 2020. A1: Western Bypass improvements at Coalhouse-Birtley and at Scotswood-North Brunton due to commence in 2020/21. A1 in Northumberland, Consultation started on the Alnwick – Ellingham dualling. Due to start alongside Morpeth-Felton dualling and north of Ellingham junction improvement schemes in 2020. The region is highlighting two strategic studies to be completed in RIS2: <ul style="list-style-type: none"> complete the dualling on the A1, improve access to Newcastle International Airport. The notice for the main contracts (fleet, depot, maintenance) went live in the Official Journal of the European Union (OJEU) on 7 June 2018 and, following evaluation of the Selection Questionnaires (SQs), 5 companies were invited to tender on 14 September 2018. Since then Nexus has had a number of meetings with its Tenderers as part of the procurement process and has received tender submissions on the 22nd March 2019 which it is currently evaluating. Nexus intends to shortlist up to 3 tenderers to proceed to the second and final phase of the procurement in June 2019. The Sunderland Filling Station opened in April 2019 with the sister station, located in Newcastle Helix and owned by Newcastle University, to be operational by summer 2019. The first phase of the rapid charging clusters will be installed by summer 2019 with the second phase currently planned to be installed by the end of 2019. 	<ul style="list-style-type: none"> Spending review impacting on funding allocations for highways, Confirmation of the Roads Investment Strategy 2 (RIS2). Being delayed. North East schemes not featuring within RIS2. Possibility of costs escalating, the potential for delays, could adversely impact on affordability and deliverability of the project. Delay to the installation of rapid charging clusters due to external factors e.g. Distribution Network Operator (DNO) connection 	Tobyn Hughes	G
Develop a future transport investment pipeline				
<p>Key deliverables:</p> <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. The TfN Strategic Transport Plan was approved by TfN Board on the 7th February, this included Northern Powerhouse Rail, Strategic Corridors and the Long-Term Rail Strategy. To support the STP an investment plan has been developed. The next steps are to progress schemes through the business case process. Work on East Coast study and strategic development corridors is progressing. The pipeline of schemes is in the early stages of development. 	<ul style="list-style-type: none"> Funding to deliver the investment plan is not obtained. Targeted funding solutions are not identified. Prioritised pipeline is not agreed. 	Philip Meikle	G

SEP Action	Progress/ current position	High level risks	Lead	Status
Improve national and international connectivity				
<p>Key deliverables:</p> <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 to be published on website in the Spring. Major car park redevelopment will be completed by summer and planning for new wayfinding has commenced. Other route development work ongoing, but commercially confidential. • The Strategic Outline Business (SOBC) case for NPR was approved by the TfN Board on the 7th February. Preparations are underway to further refine to produce a single network concept for the whole of the North. The SOBC included for ECML improvements on the Leeds to North East corridor. Secretary of State has granted approval to proceed to next stage of development. • The North East Freight Partnership liaises with local ports and a major water freight event was held in Sunderland during February attended by representatives from regional ports. Port operators have a range of investment plans to take advantage of future commercial opportunities and have made detailed preparations for the challenges and possible opportunities that might arise out of Brexit. 	<ul style="list-style-type: none"> • Additional routes for NIAL are not agreed • Central government support for increased investment in the north is not obtained 	Philip Meikle	A
Use transport to drive innovation and business growth				
<p>Key deliverables:</p> <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"> • We are continuing to work jointly across all modes to identify opportunities for innovation areas. • New regional inbound tourism website www.visitnortheastengland.com is now live and campaigns are underway in a number of overseas markets. Work continuing with VisitBritain on Gateway project, supported by NGI on behalf of regional DMO's. NIAL is inputting to LEP regarding Local Industrial Strategy to secure further support for inbound tourism. • The North East Freight Partnership's Skills Working Group will hold further meetings in 2019-20, in conjunction with industry and training providers, to discuss skills needs and how to address recruitment challenges facing the industry. Invites to the first meeting will be sent out in the near future. 	<ul style="list-style-type: none"> • Opportunities for innovation areas are not identified • Low uptake of the Skills Working Group meetings. 	Philip Meikle Graeme Mason Philip Meikle	A

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.

SEP Action	Progress/ current position	High level risks	Lead	Status
Manage the already secured North East LEP funding effectively				
<p>Key deliverables:</p> <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"> £256.7m LGF contracted and £9.7m allocated to pipeline projects. Unallocated budget is currently £3.6m LGF budget for 2018/19 fully spent. Budget for 2019/20 £28m 48 major LGF projects alongside 4 mini programmes approved to date. Over £67m NEIF invested through programme to date with approximately £15m available to invest. Fund review to be discussed at May Board. 28 NEIF Projects supported over lifetime of the fund £130m of EZ mechanism funding approved to date. Three sites planning to come forward with Business Cases during year – the first in July 2019 45 businesses occupying EZ sites, employing more than 1,400 people. 	<ul style="list-style-type: none"> Timely re-allocation of uncommitted LGF budget is required Job outputs behind forecasts and options considered for sustained job creation Lack of speculative development may limit the attraction of businesses 	Helen Golightly	A
Coordinate partners to develop a regional project pipeline based on spatial economic priorities				
<p>Key deliverable:</p> <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 updated project list to be set out in line with the LIS development through 2019. The Spatial narrative will be informed by the propositions developed through the LIS evidence base. 	<ul style="list-style-type: none"> Buy in from the region to the process and outputs 	Helen Golightly	G
Secure additional investment into the North East				
<p>Key deliverables:</p> <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, leading to a series of propositions that will be included in the LIS submission to Government: LEP Board will receive an update on this work at the May 2019 meeting. Details awaited from Government on 'Strengthening Towns' new funding allocation: expect later this Spring Details awaited from Government on the UK Shared Prosperity Fund (UKSPF) is expect pre-Summer Recess Approximately 54.4% of regional ERDF funds are formally contracted to February 2019, and 48% of ESF funds and 27.5% of the EAFRD. Business case for regional 5G project in development 	<p>Limited availability of development fund. Strong national competition</p> <p>Need to retain strong project pipeline</p>	Helen Golightly	A

SEP Action	Progress/ current position	High level risks	Lead	Status
Increase access to finance for business to invest				
<p>Key deliverables:</p> <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 	<p>£18.4m capital has been released to the funds for 113 investments. The fund has made a solid start, with investments at 94% of the forecast first year figure at 11.5 months. The number of different SMEs supported is good; with the Small Loan Fund getting back on track after a slow start, and the Innovation Fund supporting businesses through incubator programmes. Fund managers must ensure representation throughout the region, and marketing efforts centre on communicating in all local authority areas. Over £23m private sector investment against a total investment exceeding £40m.</p> <ul style="list-style-type: none"> Review of the NEIF has involved North East Commercial/Industrial Property Market Assessment; a Preliminary Market Engagement exercise examining demand for a Commercial Property Fund; and a Review of gaps in the Access to Finance provision in the North East. These are to be discussed at LEP Board in May 2019. 	<p>Failure to attract high quality investment bids</p>	<p>Helen Golightly</p>	<p>G</p>

Communications update

May 2019

Total followers		Followers increased by	Total reach	(Impressions since March)
Twitter	10,033	(+2.9%)	Twitter	235,800
LinkedIn	4,140	(+13.1%)	LinkedIn	50,200
			since March	

Top performing LEPs on Twitter:



Top posts:

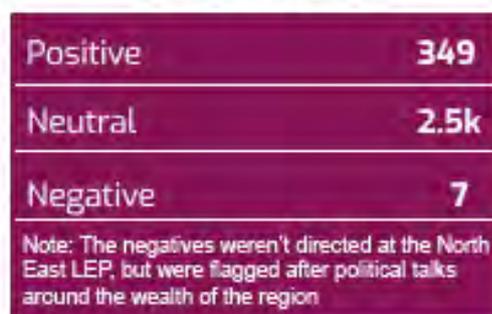
■ Paid ■ Organic

Twitter	Impressions	Engagement	Clicks	Retweets
Today we launch our #LocalGrowthFund film to celebrate reaching the halfway milestone in delivering our £270m capital programme; helping...	46,981	427	21	55
Huge congratulations to @NCDOfficial and all the partners involved in the bid to bring an Institute of Technology to the North East. High quality technical...	7,844	158	19	15
@sunderlanduni graduate Jordan Hewitt decided to #LiveWorkAndStay in the North East and now works at @sunsoftcity. Here's her story: https://t.co/m-	19,693	305	33	18
LinkedIn	Reach	Engagement	Clicks	Likes
We're expanding the reach of our Skills Strategy for the North East. Find out what's in store: https://lnkd.in/eei77tj	2,505	11.2%	240	36
The vacancy for the Regional Lead for our North East Ambition programme closes this week. Don't miss out - Read more about the role and apply today:	1,748	9.6%	146	16
Job opportunity: we're looking for two Primary Facilitators to join our team. Support our North East Ambition programme, working with 70 primary	1,265	9.2%	100	12

Mentions:



Sentiment:



Highlights:



Upcoming events:

10 May: Our Economy event

23 May: Be the Business learning and development mentoring event

12 June: Skills celebration event

16 July: North East Industrial Strategy Engagement event

Priority actions for the next two months:

Action 1:

Lead on the communications and engagement work stream for the development of the North East Industrial Strategy.

Action 2:

Continue to manage the transition with the new digital supplier - Narrative Communications

Action 3:

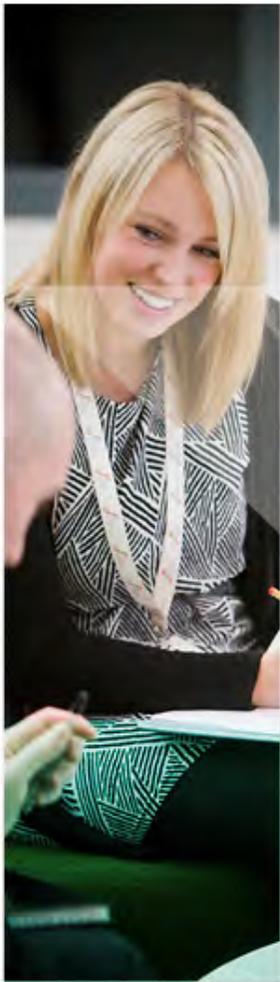
Publish our 2018/19 Annual Review

Action 4:

Develop and launch the High Potential marketing campaign

Website performance summary:

Audience		Top five news pages	
			views
Visitors	12,442	/news/north-east-lep-publishes-updated-strategic-economic-plan	368
Total page views	45,113	/news/820-north-east-companies-gain-scale-up-recognition	303
Average session duration	2m37s	/news/expanding-reach-north-east-skills-strategy	285
		/news/funding-available-for-early-stage-innovation-projects	264
		/news/refreshed-plan-delivering-better-jobs-north-east	237
Traffic source		Top five pages	
	views		views
Organic	4829	Home	8667
Direct	3534	The-plan	2449
Social	553	About/-executive-team	2194
Referral	323	Projects	1882
Other	40	About	1717
Email	76		



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23 May 2019

ITEM 5: Annual Delivery Plan 2019/20

1.0 Background

1.1 Government issued a policy paper entitled 'Strengthened Local Enterprise Partnerships' in July 2018. One of the requirements is for each LEP to produce an Annual Delivery Plan for the period 2019/20, and submit it to Government by 31 May 2019. LEPs are also asked to produce an End of Year Report in Spring 2020, which will be linked to the Annual Delivery Plan.

2.0 Annual Delivery Plan Template

2.1 Andrew Hodgson chaired a national group comprising Government officials from MHCLG and representatives from several LEPs and the LEP Network. The group agreed a document structure for LEPs to follow which included sections on:

- Summary and strategic objectives
- Local Growth Funding
- Other funding
- Strategic activity

3.0 Recommendation

3.1 The Board is asked:

- a. To endorse the attached draft Annual Delivery Plan 2019/20;
- b. To delegate final sign off of the document to the LEP Chief Executive.



Annual Delivery Plan 2019/20

Published:

Approved by the North East LEP board on 23 May

Draft for board

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Introduction

This Annual Delivery Plan sets out what the North East Local Enterprise Partnership (North East LEP) intends to deliver in the financial year from April 2019 to March 2020.

It will be shared with Government and reported on in our End of Year Report 2019/20.

It is a dynamic document and thus may be subject to change, as the North East LEP seizes significant opportunities or responds to key challenges that might impact on the national and local economy. Where that is the case and it results in a material change to any of the data, timelines or objectives shown in the Delivery Plan, this will be reflected in an updated version posted on the North East LEP's website and shared with Government as soon as is practicable.

We will respond to economic opportunities and challenges as they arise and always ensure our activities are based on the most up to date evidence available and therefore this document is subject to change.

Where changes are made, they will be highlighted and communicated clearly and timely.

Within this delivery plan you will find:

Our Plan and objectives

We published our North East Strategic Economic Plan in 2014 and published updates in 2016 and January 2019. We set a clear ambition to create 100,000 more and better jobs for our region and report regularly on how we are doing towards achieving this ambition.

Governance and transparency

We ensure that a robust and transparent governance structure underpins its work and ensures it complies with all of the recommendations from the national LEP review, published in 2018.

Our delivery programme

We have provided some detailed insight into the detail of our five delivery programmes.

2019/20 Action Plan

Here you will find a list of everything we will strive to achieve in 2019/20. We'll report on this in May 2020 and update on our progress.



Our plan and objectives

The North East Strategic Economic Plan

The North East region has an economy that is growing and that is diverse with passionate and skilled people, a high-quality location for business and leisure, and a focus on science and innovation.

The North East Strategic Economic Plan sets out our ambition for the North East as a place of work and opportunity, an ambition shared by regional business leaders, local government and education, and supported by a wider community of partners, whose contribution to its development and delivery are central to its success.



Creating more and better jobs

In 2014, when the North East Strategic Economic Plan was first agreed, we committed to fostering new opportunities for our residents and businesses by driving forward a modern, diverse and entrepreneurial economy, which is agile in the face of change, competitive, resilient and inclusive.

We have one clear and simple ambition – to deliver more and better jobs for the people who live and work here.

Between 2014 and 2024, we want to grow the number of jobs in the region by 100,000, with at least 70% of the new jobs being better jobs, defined as those in managerial, professional and technical roles.

We have made good progress against this ambition. As of December 2018, the number of jobs in the North East has increased by 71,600 since 2014, 70% of these are better jobs.

We have also identified four targets focused on other long-term objectives. To demonstrate our progress, we aim to reduce or close the gap in our performance compared to England excluding London. By making this comparison in these four areas – employment rate, economic inactivity rate, productivity and private sector employment rate – we aim to deliver both positive change in our region and help rebalance the national economy.

You can read the North East Strategic Economic Plan in full at northeastlep.co.uk.

Progress:

By December 2018, the number of jobs had increased by 71,000. 49,800 (70%) of these were better jobs.



Source: Annual Population Survey - Workplace Analysis (Nomis)

Governance and transparency

We are committed to robust, transparent and fair governance at every level of our operations.

Detailed actions on how we propose to continuously improve and develop our governance structures and arrangements can be found in the action plans at the back of this document.

Regional governance model

The North East LEP plays a key role in regional governance and works with two combined authorities - North East Combined Authority and North of Tyne Combined Authority, and seven local authorities.

The governance structure changed in November 2018 following the formation of the North of Tyne Combined Authority.



Regional governance

Seven Local Authorities

Newcastle City Council	Durham County Council
Northumberland County Council	Gateshead Council
North Tyneside Council	South Tyneside Council
	Sunderland City Council

Two Combined Authorities

<p>North of Tyne Mayoral Combined Authority</p> <p>Covering</p> <p>North Tyneside Council</p> <p>Newcastle City Council</p> <p>Northumberland County Council</p>	<p>North East Combined Authority</p> <p>Covering</p> <p>Durham County Council</p> <p>Gateshead Council</p> <p>South Tyneside Council</p> <p>Sunderland City Council</p>
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One Transport Committee

North East Joint Transport Committee

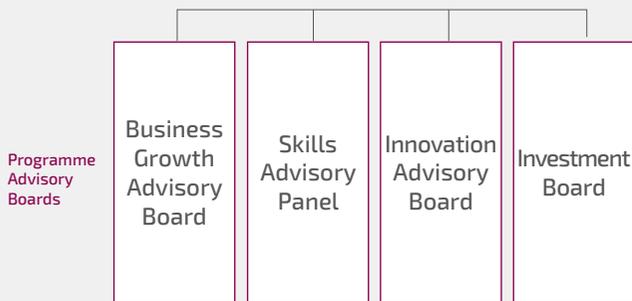
One Local Enterprise Partnership

North East Local Enterprise Partnership

North East LEP governance

The North East LEP Board is a business led, private, public and education partnership. It is supported by four advisory boards, which provide strategic guidance and oversight of the North East Strategic Economic Plan programmes' delivery to the main Board.

North East LEP Board



North East LEP Senior Management Team

Programme governance

The North East LEP follows a robust assurance framework.

The North East Local Assurance Framework sets out how we make decisions and ensures value for money when investing in projects across the North East LEP area.

The Local Growth Fund (LGF) Programme is managed in accordance with the North East Local Assurance Framework, and can be found [here](#).

The Local Assurance Framework was last refreshed in April 2019 which reflects:

- The latest requirements set out in the 'National Local Growth Assurance Framework' published in January 2019.
- How we remain fully compliant in the context of the 'Strengthened Local Enterprise Partnerships' report that followed the Ministerial review into LEPs (July 2018)

The Assurance Framework is a live document and will be updated throughout the year, and will be published on the North East LEP website.



Programme governance – funding decisions

All project funding decisions are taken by the North East LEP Board or, where appropriate, under delegated authority by the North East LEP Investment Board.

The Investment Board is programmed to meet on six occasions in 2019/20 and receive programme monitoring reports on a regular basis and be presented with the programme dashboard. This is submitted quarterly, to the Ministry of Housing, Communities and Local Government (MHCLG).

The Investment Board will determine new project funding allocations under its delegation or otherwise agree to make recommendations to the main North East LEP Board.



Andrew Hodgson, North East LEP Chair

Our delivery

Fund management

We manage three funding streams:

- The Local Growth Fund – a £270.1m programme targeted at job creation
- The North East Investment Fund – a £55m recycling loan fund sourced from Regional Growth Fund 3 and Growing Places Fund
- The Enterprise Zone Fund covering 21 sites; to date a total investment of £46m, unlocking £110m of private sector investment.

We also work closely with regional partners and government in the allocation of £500m of European Structural Investment Funding into the North East.

Local Growth Fund (LGF)



2019/20 is the fifth year in the sixth year LGF £270.1m programme. At 1 April 2019 £259.6m of this budget was contractually committed and a further £10.5m ringfenced to support selected strategic pipeline projects that are planned to come forward with full business cases for determination.

The LGF budget underspends from completed contracted projects is estimated at £3.5m. During 2019/20 we plan to recycle this funding against new projects.

The LGF programme is cross cutting and supports the delivery of all five thematic programmes set out in the January 2019, North East Strategic Economic Plan, which covers the delivery period 2019-21. Overall the LGF programme is focussed on tackling market failures and competitive weaknesses.

Through working with partners, we aim to quicken the pace and scale of investment across the North East, focussed on our business and infrastructure investment opportunities and needs.

LGF budget

The 2018/19 budget has been fully spent with no funds rolling forward into 2019/20. The budget allocation from for 2019/20 is £28.06m. Approved projects' planned expenditure plus forecast expenditure from pipeline projects is estimated at £31.9m capital and £1.28m revenue. The approach to over-programming is to ensure the full £28.06m is spent during 2019/20. This projected over commitment, if required, will be met by resources transferring back into the North East LEP from the accountable body, the North East Combined Authority. This funding mechanism also enables the funding of revenue activities that otherwise could not be supported by the LGF capital budget.

2019/20	Capital £	Revenue £	Total £
LGF 2019/20 Grant	28.063m	£0m	28.063m
Forecast NECA returned funds	6.94m	1.28m	8.22m
Total Budget	35m	1.28m	36.28m
Forecast expenditure from contracted projects	31.9m	1.28m	33.18m
Forecast expenditure from pipeline projects	3.1m	0m	3.1m
Total Expenditure	35m	1.28m	36.28m

Communications and engagement

Following the production and launch of a four minute mid-programme video late in 2018/19 and also 37 individual one partner project videos, we will lead a 12 month social media campaign during 2019/20 to showcase progress and the impact that projects are having across the regional economy and in local communities.

The campaign aims to engage over 10,000 people and businesses across the region. The videos can be viewed [here](#).

Monitoring and evaluation

Grant claims and monitoring for live projects is undertaken on a quarterly basis. A Programme Operations Group review quarterly project submissions and undertake quality checks. Project verification visits are held following a project's financial completion.

Projects with delivery challenges are reported in the first instance to the LEP's Technical Officer Group. Where necessary remedial action will be agreed, and Board or delegated approval sought to a variation to contract.

A small number of projects, completed early in the Programme, are now due to submit a project evaluation by the end of 2019/20. Key programme and project milestones will be monitored through the year. A summary is set out on the next page.

2019/20 LGF programme milestones**Year five delivery plan key milestones**

Milestone	Description	Target Dates
Quarter One		
Programme milestones to be achieved by the North East LEP		
Quarter 4 2018/19 monitoring return to MHCLG	Latest financial and performance data reported	24 May 2019
Investment board programme update	Report on draft 2018/19 outcome data and general update	9 May 2019
North East LEP board funding report	Latest financial performance data required	May 2019
Notable project milestones to be achieved by partners		
Transforming Cities Fund programme	Contract finalised following approval team appointed to develop tranche 2 bid	April 2019
High Growth Potential Start Up project	Business case approval	May 2019
Vaux	Work completed on first office 'The Beam'	May 2019
Quarter two		
Programme milestones to be achieved by the North East LEP		
Quarter one 2019/20 monitoring return to MHCLG	Latest financial and performance data reported	August 2019
Investment Board programme update	General programme update and projects for decisions	July 2019
North East LEP Board funding report	Latest financial performance data reported	July 2019
Notable project milestones to be achieved by partners		
The Biosphere, Newcastle	Formal opening of £25m centre at the Helix, Newcastle	July 2019
Institute of Technology	Business case submission, appraisal and determination	July 2019
Central Gateway Phase 2	Business case submission, appraisal and determination	July 2019
Integra 61 site	Funded highway infrastructure works completed.	August 2019
South Shields Transport interchange	New integrated Bus and Metro station open to public.	September 2019
East Pilgrim Street	Public realm works underway and construction of Bank House commenced	September 2019

Quarter three

Programme milestones to be achieved by the North East LEP

Quarter 2 19/20 Monitoring Return to MHCLG	Latest financial and performance data reported	November 2019
Investment Board programme update	General programme update and projects for decisions	September 2019 November 2019
	Six monthly review of progress	September 2019

Notable project milestones to be achieved by partners

Gateshead Quays	Planning permission obtained for arena and exhibition centre	December 2019
Swans CFI Phase two	Refurbishments works complete and additional workspace available	November 2019
South Shields Metro Training and maintenance depot	New Nexus training centre completed	September 2019
IAMP	First industrial building operational	November 2019

Quarter four

Programme milestones to be achieved by the North East LEP

Quarter 3 19/20 monitoring return to MHCLG		February 2020
Investment Board programme update	General programme update and projects for decision	January 2020
Investment Board programme update	General programme update and projects for decision	March 2020
Annual performance review with MHCLG	Date to be agreed with MHCLG	January 2020

Notable project milestones to be achieved by partners

Hordon Rail Station	New station opening	January 2020
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LGF activity during 2019/20

The following table sets out all projects in the LGF programme split into the following three categories:

- Projects where the LGF budget has been fully drawn down and the project is now subject to either monitoring or evaluation in 2019/20
- Contracted projects that are in progress and have LGF budget allocations in 2019/20 to be drawn down
- Pipeline projects that are developing final business cases for determination during 2019/20.

LGF project status and LGF budget forecast

Category	Project name	Strategic Economic Plan theme	Forecast LGF budget 2019/20 (£)
Projects with LGF budget spent up and subject to ongoing performance monitoring or evaluation in 2019/20	The Biosphere	Innovation	0
	Hope Street Xchange	Innovation	0
	Low Carbon Energy Centre and Heat Network Helix	Innovation	0
	Infrastructure for Forrest Park	Economic Assets	0
	Lindisfarne Roundabout	Transport	0
	Central Metro Refurbishment	Transport	0
	Northern Access Corridor - Phase 2 & 3	Transport	0
	A19 employment corridor access improvements	Transport	0
	A191 junctions (Coach Lane and Tyne View Park)	Transport	0
	A1056-A189 Weetslade roundabout improvements and A1-A19 link	Transport	0
	South Shields Transport Interchange	Transport	0
	Sunderland Low Carbon Zone	Transport	0
	A1058 Coast Road	Transport	0
	Development of a STEM Specialist Centre	Skills	0
	Vaux - Sunderland Central Business District	Economic Assets	0
	Beacon of Light - World of Work	Skills	0
	Proto: Northern Centre for Emerging Technologies	Innovation	0
	East Sleekburn Site Reclamation & Dock Works	Economic Assets	0
	Eagles Community Arena	Skills	0
	Explorer - Netpark	Economic Assets	0
Blyth Cowpen Road	Transport	0	
Newcastle Station Gateway	Transport	0	

continued overleaf

LGF project status and LGF budget forecast

Category	Project name	Strategic Economic Plan theme	Forecast LGF budget 2019/20 (£)
Projects with LGF budget spent up and subject to ongoing performance monitoring or evaluation in 2019/20	Newcastle Cycle Scheme	Transport	0
	Auckland Castle Welcome	Economic Assets	0
	Phase II, Intersect 19, Tyne Tunnel Trading Estate	Economic Assets	0
	Monkton South	Economic Assets	0
	Innovation Zone	Innovation	0
	Durham City Incubator	Economic Assets	0
	A19 North Bank Tyne (Swans) - Stage 1	Transport	0
	A1 Junction 61, Bowburn - Integra 61	Economic Assets	0
Approved projects in development with LGF budget allocations in 2019/20	Centre for Innovation in Formulation (CIF)	Innovation	113,421
	Netpark Infrastructure Phase 3	Innovation	95,000
	North East Rural Growth Network	Economic Assets	1,392,623
	Swans Plot 6 Demolition	Economic Assets	486,131
	Swans Infrastructure - Quay Works (Stage 2)	Economic Assets	779,429
	Swans Business Centre Phase 2 - Stage 2	Economic Assets	1,383,157
	Swans Business Centre Phase 3 enabling works	Economic Assets	727,740
	Horden Rail Station	Transport	2,276,427
	National Centre for Healthcare Photonics	Economic Assets	452,013
	River Tyne Economic Development	Economic Assets	608,234
	Traffic movements along A185/A194/A19 (The Arches) - Stage 2	Transport	216,169
	South Shields Metro Training and Maintenance Skills Centre	Transport	2,791,521
	A19 North Bank Tyne (Swans) - Stage 2	Economic Assets	1,232,083
	Jade Business Park (inc A19/A189 Seaham Murton interchange)	Economic Assets	1,662,027
	International Advanced Manufacturing Park (IAMP)	Economic Assets	12,391,604
	Gateshead Quays	Economic Assets	2,767
	East Pilgrim Street	Economic Assets	2,395,648
	Scale Up North East (inc. Supply Chain North East)	Economic Assets	590,000

continued overleaf

Category	Project name	Strategic Economic Plan theme	Forecast LGF budget 2019/20 (£)
Approved projects in development with LGF budget allocations in 2019/20	Centre for Excellence in Sustainable Advanced Manufacturing (CESAM)	Innovation	28,514
	International Centre for Connected Construction (IC3)	Innovation	94,826
	National Centre for Rural Innovation	Innovation	40,213
	Stephenson Challenge - ROCKET	Innovation	112,620
	Innovation Northumbria Incubator	Innovation	156,200
	NETPark Incubator expansion	Innovation	197,000
	North East Ambition Education Challenge	Skills	313,661
	Morpeth Station Gateway	Transport	8,500
	Transforming Cities	Transport	200,000
5G Digital Sites and Investment Programme	Innovation	230,000	
Pipeline projects to be determined in 2019/20 with estimated LGF budget.	Newcastle Central Station Gateway - Stage 2	Transport	1,315,000
	Institute of Technology (IoT)	Skills	600,000
	High Growth Potential Start Ups	Economic Assets	109,792
	Centre for Chinese/UK Digital Business Development	Innovation	76,800
	Creative and Digital Innovation Hub	Innovation	125,000
	Woods II Incubator	Innovation	311,726
	Fenwick Incubator	Innovation	200,000
	Newcastle Helix Incubator and Accelerator	Innovation	220,564
	Sunderland Digital Incubation Programme	Innovation	148,000

2019/20 LGF programme risks

At the outset of the financial year 2019/2020 following programme level risks have been identified. These risks are monitored on a regular basis by the Technical Officer Group.

Risk description	Consequence	Estimated cost impact	Probability (%)	Risk impact level	Risk owner	Action(s) to avoid or reduce risk
1. Underspend on LGF budget 2019/20	Possible withholding of future years LGF by MHLG	Severe	Low	High	S73 Officer	Regular project monitoring/ temporary accountable body project swaps
2. Noncompliance with national Assurance Framework	Possible withholding of future years LGF by MHLG	Severe	Low	High	Chief Executive	Annual review and action plan to adhere to any new requirements
3. Change in the LEP accountable body	Impact on continuity of programme management	Limited	Moderate	Moderate	Chief Executive	Costs / benefits to be assessed and forward plan to be adopted
4. Annual performance targets under perform	Reputational impact.	Limited	Moderate	Moderate	Programme Manager	Projects challenged for 'optimism bias' / project level risks reviewed.

2019/20 Key performance indicators

All projects are required to submit quarterly and annual data monitoring forms. These are subject to verification checks and reported on a regular basis to the Technical Officer Group and Investment Board. A selection of national and local key performance indicators from current activities are set out below.

LGF programme forecast outputs 2019/20

Key performance indicators	Forecast for 2019/20
Gross Jobs connected to direct employment site	1,000
Number of apprenticeship/traineeship opportunities created	178
Number of established / new businesses accommodated (local indicator)	67
Commercial Floorspace Constructed (m2)	69,623
Commercial Floorspace refurbished (m2)	85
Area of site reclaimed, (re) developed or assembled (ha)	53
Follow on investment at site (£)	£92m
New build training/learning floorspace (m2)	0
Number of learners at NVQ Level 3	-
Number of business receiving non-financial support	442
Number of business receiving financial support	206
Total length of newly built roads (km)	0.4
Total length of resurfaced roads	2.6
Total length of new cycleways	2.2
Construction Jobs (local indicator)	340
LGF annual budget expenditure	100
Number of education establishments engaged	105
LGF social media campaign – numbers engaged	10,000
% of LGF lifetime budget contracted	99

Other funding programmes



North East Enterprise Zones

The North East Enterprise Zones (EZs) were created to support economic growth by developing sites with key attributes to help businesses start up, grow and expand. Our EZs have been developed across two rounds - round one announced in 2013 and round two in 2016. Many of our round one sites now have businesses operating on them, with most of our round two sites in the process of investing in the infrastructure required to allow businesses to move on to these sites in the future. To date, our investment of over £46m in EZ sites has unlocked £110m of private sector investment. At the end of 2018, more than 1,400 people are employed across 45 businesses on our EZ sites. By the end of 2019/20 our EZs will be home to more than 1,600 jobs and we will have invested more than £80m, unlocking more than £130m of private sector investment. During 2019/20, EZ sites are anticipated to deliver the following spend, investment and jobs:

Output	2019/20 Forecasts
EZ funding spend	1,170 is this floor space
	£37m
Follow-on investment	£24m
Jobs on EZ sites	270

figures don't relate to £46m and £110m above Speak to James



North East Investment Fund

The North East Investment Fund (NEIF) is a loan fund supporting the capital projects that encourage local economic growth and create jobs in our area.

It has been operating since 2012, utilising £25m of Growing Places Fund and £30m of Regional Growth Fund to invest on a sustainable basis in capital infrastructure projects which generate economic growth and job creation in line with the North East LEP objectives.

Over its operating period it has invested £68m in 27 projects, including money that has been repaid into the fund.

During 2019, work will continue to determine the scope of the investment funds to meet future need. By March 2020, we will set out the case for a commercial property investment fund model for the board to consider and if approved, have commenced an OJEU compliant procurement of fund manager and structure.



European Union
European Structural
and Investment Funds

European Structural Investment Fund

The 2014-2020 European Structural Investment Fund (ESIF) was created to inject more than £500m into the North East.

Although the funds are held by Government, the North East LEP plays an important role to ensure these funds are used to deliver both the European goals of smart, sustainable and inclusive growth and support the delivery of the North East Strategic Economic Plan.

We worked with a wide range of partners to produce our ESIF Strategy that can be found [here](#). The strategy directly links with the priorities of the North East Strategic Economic Plan.

By 31 March 2020, government's managing authorities believe that North East will have secured 76.4% of our notional ESIF funding into the North East.

Five programmes of delivery

We have five programmes of delivery that set out our initiatives and projects that will deliver the ambitions of the North East Strategic Economic Plan, which can be found on our [website](#).

The five programmes are:

-  • Business growth
-  • Innovation
-  • Skills, employment, inclusion and progression
-  • Transport connectivity
-  • Investment and infrastructure

The delivery action plans that detail the deliverables of each programme by 31 March 2020, can be found at the back of this document.

The North East LEP Board is actively involved in monitoring delivery of the North East Strategic Economic Plan programmes and other work undertaken by the North East LEP.

The Board receives a detailed report at each board meeting showing the delivery status of each programme. These can be viewed on the board papers on the LEP website [here](#).

Monitoring and evaluation

The North East LEP have commissioned consultants Steer Economic Development (Steer-ED) to undertake an interim evaluation of the North East Strategic Economic Plan over a three-year period 2019 to 2021.

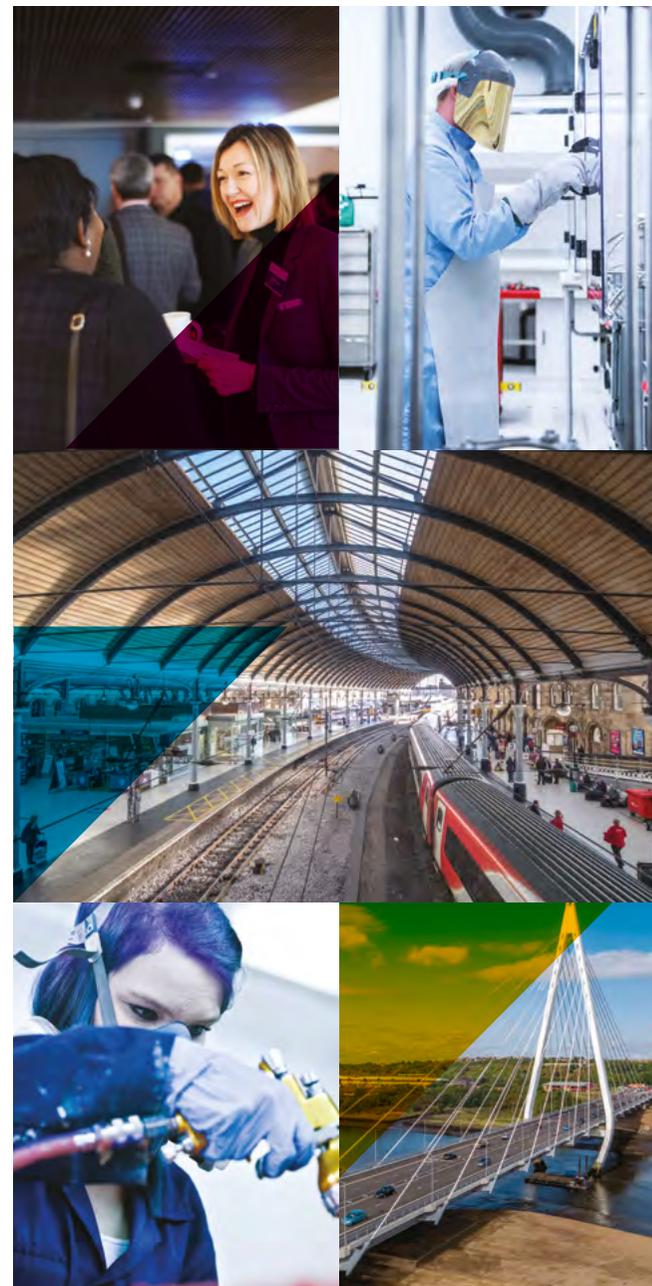
The evaluation will make recommendations to support continuous improvement in programme management and project delivery.

This will also enable the North East LEP to more intimately understand how the North East Strategic Economic Plan has been delivered, and how successful it has been in achieving its strategic objectives and to evidence what has worked well and what can be improved in delivery.

Now entering the sixth year of delivering the Strategic Economic Plan, the interim evaluation will evidence and strengthen its strategic rationale for intervention, collating and leveraging performance data about existing projects and highlighting specific case studies of best and/or innovative practice. Specifically, it is intended to:

- Assess the effectiveness and impact of delivery, reviewing performance across the programmes of delivery, areas of opportunity and enabling services set out in the Plan.
- Assess the effectiveness of the North East LEP in the varied roles it plays in supporting the economy.

Further work will continue across 2019/2020 which will be reported by Steer-ED as detailed in the Governance Action Plan at the back of this document.



Strategic activity and partnership working

Overview

During 2019/20, we plan to continue our key strategic activity, work closely with our partners and decision makers.

The North East LEP's Strategic Economic Plan is our fundamental framework and evidence base for a range of our strategic activity, documents and investment programmes.

Our key strategic activity is described below.

Our action plan of key strategic activity for 2019/20 can be found on page at the end of this document. It sets out how we work commemoratively across the region and beyond to ensure that together we are able to ensure together we are able to capitalise on the opportunities for the North East.



Our partners

The North East
Combined Authority

The North of Tyne
Combined Authority

The Northern Powerhouse

The Borderlands
Partnership

The Growth Hub
Provider Network

The Rural
Growth Network,
The North East Farming
and Rural Affairs Network

Finance
providers, banks

North East business
representatives and their
organisations

Education sector;
universities colleges and
schools

Other skills providers

Catapults

Community and
voluntary sector

Transport providers
(both local and regional),
ports and airports

Government departments

Influencing public policy through regional collaboration

The North East LEP will continue its role to influence and develop public policy through its collaborative work with partners, this approach is undertaken to ensure that the voice and interests of the region are taken into account in UK policy frameworks.

The North East Brexit Group

The North East LEP recognises that Brexit is a complex debate and that economic output is only one aspect of it, however we have a responsibility to provide information on the economic outcomes in the most balanced and responsible way we can. We were therefore instrumental in forming the North East Brexit Group within the region following the decision to leave the European Union (EU).

The group provides a collective, single voice to contribute to and influence the on-going national dialogue around the UK leaving the EU. It is made up of members from business representative organisations, the education sector, trade unions, local authorities, the North East LEP and voluntary organisations.

The group to date has monitored and prepared evidence about the potential impact of Brexit scenarios and related economic issues, incorporating evidence, views, experiences and responses of business, education and other organisations in the North East region, aiming to ensure that a clear and co-ordinated North East voice is heard. The group has provided reports and responded to consultations and briefed both ministers and civil servants.

Opportunities through our local public partners

We continue to remain future focused to take advantage of the opportunities stemming from economic change. We will continue during 2019 /2020 to play a key role in regional governance, working closely with both North of Tyne Combined Authority, the North East Combined Authority and seven local authorities.

The North East Economic Evidence Forum

The North East Economic Evidence Forum (NEEEF), established by the North East LEP, brings together regional partners and national research organisations to build the North East economic evidence base. The purpose of the group is to be a collaborative forum, providing guidance and support towards the development of a robust evidence base that will underpin the delivery, evaluation and on-going development of the North East Strategic Economic Plan objectives.



Working with other Local Enterprise Partnerships

The North East LEP will continue to engage in collaboration with other LEPs and Government to develop and take forward specific projects, sectors and initiatives in support of wider strategic policies and plans. We will continue to do this through:

NP11 group

The NP11 was established in the Northern Powerhouse geography in a formal capacity to champion the North East's economic growth. We continue to work alongside colleagues that brings together the 11 northern LEP's to promote northern growth, help raise our profile, attract investment and realise our economic potential.

Sharing our understanding of what works

Through our commitment to the ongoing development of the Strategic Economic Plan, we will continue to take a leading role in the region to help develop and co-ordinate economic analysis through research and evidence activities on behalf of the region. We will proactively share our evaluation evidence and learning with relevant stakeholders including delivery partners and other LEP's to support building knowledge and understanding of what works in economic development.

LEP Network

We will continue to actively engage through meetings and Events with the LEP network. Sharing good practice through regular contact with network colleagues, engagement sessions and meetings.

The North East Local Industrial Strategy

The North East Local Industrial Strategy will form a critical part of our delivery agenda during 2019/20.

Government announced that the regions will have the opportunity to develop a Local Industrial Strategy to demonstrate their contribution to the national Industrial Strategy. The North East's response is being led by the North East LEP.

We see the North East Industrial Strategy as a way of bolstering the delivery of the productivity and GVA targets in the North East Strategic Economic Plan.

Month	Local actions and engagement	National / central government engagement
April 2019	Ongoing workshops and local engagement following the Productivity Review	
May – June 2019	23 May – Report to the North East LEP Board	5 June – Analytical Committee 12 June – Cross government policy committee
July – September 2019	Regional engagement event (16 July) Ongoing LIS development and engagement	Advice to ministers on LIS (July)
Autumn 2019	North East LEP Board final sign off Publication	Cross HMG agreement



Energy Strategy and Energy for Growth Programme

As part of the Government's approach to energy, all LEPs were asked to produce a local energy strategy. To support our development of this through 2019, the North East LEP secured £100k of funding from government.

The local energy strategy (Energy for Growth) identifies the challenges and opportunities for the region in the context of national policies such as the Industrial Strategy and Clean Growth Strategy. It also brings together a pipeline of projects that could be developed to meet these opportunities.

The North East LEP will continue work with cross-sector partners during 2019/20 to facilitate development of the strategic themes into a regional project pipeline through the Energy for Growth Programme.

The programme seeks to coordinate activity at a regional level, where strategic interventions can drive economic growth, job creation and competitiveness, while meeting national goals.

The programme is structured around two discrete workstreams; 'Offshore Energy & Subsea Technology' and 'Regional Energy'.

Offshore Energy & Subsea Technology focuses on a key industrial sector, with a specific set of stakeholders and a distinctive economic opportunity.

The Regional Energy workstream is focused on identifying and facilitating regional project opportunities across power, heat and transport.

Borderlands Project

The North East LEP will continue to engage actively with the Borderlands Project to ensure alignment with key North East strategies and provide ongoing support to the development, planning and delivery of activities being developed by the Borderlands partnership, working closely with Northumberland County Council and with the other partners beyond the North East LEP geography in both England and Scotland.

There is strong alignment to a number of the key priorities set out in the North East Strategic Economic Plan and areas of alignment to the North East Local Industrial Strategy in both key sectors and key aspects of the North East LEP's delivery programmes.

These include; the work on rural energy which is an identified priority in the North East LEP Energy Strategy; opportunities to promote rural innovation in areas such as natural assets, land industries and other rural sectors, building on the successful work which has been taken forward on water innovation; opportunities for enhanced digital and transport connectivity; and opportunities to co-ordinate business support, for example through the North East Rural Growth Network which has been widely recognised as an example of good practice nationally, most recently by the House of Lords Select Committee on Rural Affairs.



Our 2019/20 annual delivery plan actions

Annual Delivery Plan – Action Plan 2019/20

The five Strategic Economic Plan programmes

Business Growth By 31 March 2020, we will:

Activity	Key deliverables
Increase demand for external business support and finance:	<p>Develop the capability and capacity of the Growth Hub to deliver one-to-one and impartial diagnosis, triage and signposting to businesses and high potential start-ups.</p> <p>Provide intensive account management and managed brokerage to businesses that are scaling up and or have the potential to do so.</p>
Ensure the supply of external business support and finance meets the needs of business and the economy:	<p>Put mechanisms in-place to ensure engagement reflects the North East business demographic (e.g. local authority areas, gender, ethnicity, social enterprises, rural).</p> <p>Review the business support and finance landscape and design an ecosystem framework to underpin the Local Industrial Strategy and UK Shared Prosperity Fund.</p> <p>Introduce a Quality Assurance framework that will monitor the quality of service provided by external business support providers.</p> <p>Launch the High Potential Start-up pilot programme and measure its effectiveness in encouraging higher levels of high growth business formation.</p> <p>Develop an Internationalisation Strategy to form part of the North East Local Industrial Strategy.</p> <p>Develop the Growth Hub provider network schedule of CPD events for front line business support practitioners.</p>
Continue to improve the region's economic resilience:	<p>Develop Supply Chain North East to support diversification into new markets including integration with Sector Deal supply chain development programmes.</p> <p>Form an early response taskforce to respond to any economic changes as and when they arise.</p> <p>Continue the development of the Growth Hub to distribute up-to-date information on the business support and finance options available to support Brexit preparations.</p>



Innovation

By 31 March 2020, we will:

Activity	Key deliverables
<p>Stimulate new business opportunities through the North East Open Innovation Challenge:</p>	<p>Run a scoping sprint to develop buy-in and partner support for the Open Innovation Challenge model and develop the North East specific needs.</p> <p>Complete a communication and promotions plan including appropriate website access.</p> <p>Identify and seeking funding to provide capacity and supporting resources.</p> <p>Continue to work in collaboration with the Invite Programme. The programme is a collaboration of 9 European partners. In January 2019, an open call was launched to encourage UK SMEs to work with European partner companies to create a digital solution to a manufacturing problem that was highlighted by the North East automotive industry. During 2019/20 another pilot programme will be launched (March 2020) that will see us working in collaboration with overseas partners.</p>
<p>Prioritise a regional pipeline of projects to form a Strategic Investment Programme:</p>	<p>Complete a Project Prioritisation call and appraisal process to result in endorsed list of prioritised projects.</p> <p>Initiate cycle of project monitoring sessions through the Innovation Board.</p> <p>Complete research to identify place-based gaps in support and indicate suitable response.</p> <p>Hold coordination events with the Innovation SuperNetwork to prepare for national funding calls such as Strength in Places and Industrial Strategy Challenge Fund.</p>
<p>Continue to support our businesses to capitalise on local research and innovation capability:</p>	<p>Map a demonstrator asset base and developing a clear understanding of the full asset base in the North East through a Sectors and Competencies study.</p> <p>Engage with universities and catapults to identify and develop a more aligned approach to support.</p>
<p>Increase private sector investment into growing innovation businesses:</p>	<p>Support VentureFest and Finance Camp to run successfully and raise awareness of these event.</p> <p>Undertake a review of access to finance for investment including private sector investment and North East Fund.</p> <p>Continue to support the North East Accelerator project and build learning from this into future plans for the business support environment.</p>
<p>Engage partners to identify and drive business growth through an Innovation Sectors and Competencies Programme:</p>	<p>Complete the Sectors and Competencies research Stages 1 and 2 working with the Policy and Strategy Team within the North East LEP.</p> <p>Through this research we will identify current status and assets and develop priority areas for action, and governance proposals.</p>
<p>Coordinate regional partners to provide enhances innovation support activity:</p>	<p>Complete the Business Growth and Innovation model study to establish a new, coherent model for innovation business support in the North East with wide support amongst partners.</p>

Skills, Employment, Inclusion and Progression By 31 March 2020, we will:

Activity	Key deliverables
Deliver North East Ambition:	We will have launched the North East Ambition pilot.
	Be working with 70 primary schools to test a framework of primary careers provisions.
	Have linked 40% of the pilot primary schools with a pool of business advisors to shape the direction of careers related learning at a primary level.
	Continue to deliver the £3.4m North East Ambition programme.
Deliver North East Ambition:	The North East Ambition Pilot project will allow the development of true partnerships between SMEs and educators in the drive to lessen the gap between skills demand and supply. The aims are: <ul data-bbox="562 647 2085 935" style="list-style-type: none"> • To improve the supply of a skilled workforce, able to demonstrate they are ready and prepared for the world of work, and to address the often quoted belief that the North East does not have pipeline of talented employees. • To help employers and SMEs engage and partner effectively with educators, learners and wider communities. • To support educators to deliver good career guidance and achieve the 8 Gatsby benchmarks by most effective use of business partnerships and other available resources. • To support educators in the delivery of business-led curriculum in order for learners (and educators) to develop industry relevant skills and most importantly to facilitate the interface between business and education to do this. • Support 150 SMEs to engage with education through a variety of projects that make up North East Ambition.
	Adoption of the Gatsby Good Career Guidance Benchmarks by all secondary schools and colleges: <ul data-bbox="562 999 2107 1214" style="list-style-type: none"> • Engage actively through North East Ambition Team to actively engage 80-90% of all schools in the region through our Career Leaders Network and our online Careers Portal. • Continue to engage and develop new model of business engagement with the FE sector. • Establish a Special Educational Needs and Disabilities (SEND) specialised hub of 20 schools to support the embedding of Gatsby benchmarks in SEND setting. • Engage 70 schools with intensive support through careers hubs.
Deliver North East Ambition:	Provide support and act as advocates for good career guidance nationally and internationally, providing expertise and support. Current partnership working includes working with education providers in Wales, Spain, the USA and Hong Kong.
Deliver North East Ambition:	The region is at the forefront of innovative skills projects and programmes designed to deliver the key goals described within the region's SEP. The pilot is aligned to national policy including the Industrial Strategy, Apprenticeship reforms, the Careers Strategy and the forthcoming Technical Education reforms but central to the pilot is the aspiration to improve social mobility in the North East LEP area and for SME businesses to be able to benefit from a pipeline of skilled people.

Deliver Education Challenge:	<p>Partner with the Department for Education and other key stakeholders to allocate 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 by:</p> <ul style="list-style-type: none"> • Engaging with all of the ONE Vision Schools in the North East LEP area to provide support through the North East LEP and our wider networks • Supporting the strategic interventions agreed by the ONE Board and to provide input as and when required.
	<p>Expand delivery of the Next Generation Learning Pilot focussing on school leadership, high quality continuing professional development (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 numeracy skills by:</p> <ul style="list-style-type: none"> • Engaging with 6 pilot schools and their wider communities • Providing expertise to a wider cohort to schools, focussing on curriculum content development. • Being the first Ford Next Generation Community outside of the United States of America (US) and to act as Ambassadors across the UK and Europe. • Acting as a host region for an international Project Based Learning (PBL) symposium of expertise. • Developing an improved governance recruitment model.
Improve skills progression:	<p>Start to develop an asset map for the region within FE, HE and other provision to inform future investment.</p>
	<p>Develop a pilot outline, to help individuals recognise and record their transferable skills by working with key organisations for example, the Gatsby Foundation, Chartered Institute of Personnel Development (CIPD) Business in the Community (BITC) and EY Foundation.</p>
	<p>Work with the Apprenticeship Growth Partnership and other partners to encourage a 10% increase in Higher/Degree level apprenticeships.</p>
	<p>Develop an action plan with ESFA to support partners to implement good quality T-levels and specialist technical education to widen choices for young people.</p>
<p>Work with North East universities and universities from outside of the region to secure funding to deliver a university pilot project focussing on careers and opportunities.</p>	
<p>Deliver phase three of the 'Live Work and Stay' campaign for recent graduates and skilled workers.</p>	

<p>Decrease youth unemployment:</p>	<p>Continue to work with partners to maintain the current progress in the reduction of unemployment in young people and to encourage training and entry into employment in key growth areas. To learn from the highly successful Generation North East and develop future models to prevent youth unemployment.</p> <p>Provide specialist intensive support for those most distant from the labour market because of disadvantage, poverty and poor physical and mental health, by developing calls through the remaining European Social Fund (ESF) programmes to tackle the most acute challenges in targeted and holistic support.</p> <p>Grow the number of apprenticeships by developing access courses in consultation with local employers and training providers.</p> <p>Ensure young people are able to develop their digital skills. This requires digital skills to be built into school, FE and HE courses.</p> <p>Explore new models of delivery including the IoT and promoting support for young people in education employment or training includes digital skills training.</p> <p>Develop a Digital Strategy which has also has a strong focus on short, medium and long term interventions to address digital skills shortages, including a focus on diversity challenges, quality and quantity of provision and in-work training.</p>
<p>Improve labour market activation:</p>	<p>Continue to develop holistic packages 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 and wider dissemination of the demonstrable benefits and outcomes from bespoke and holistic programmes.</p> <p>Ensure support is in place for those that have moved from unemployment or inactivity into work to help them progress and acquire further skills by working with key partners, develop and pilot schemes include National Retraining Scheme and to capitalise on opportunities through other sources.</p> <p>Increase take up of Better Health at Work Awards (BHAWA) and similar schemes to employers by working with trade unions, business organisations and sector organisations, to continue to promote the benefits and return on investment of BHAWA to all businesses and employers.</p>
<p>Ensure connected communities:</p>	<p>Provide targeted support for communities and individuals, focussing on those with multiple barriers or protected characteristics, and ensure this is a strategic funding priority:</p> <ul style="list-style-type: none"> • Identify key barriers and challenges (e.g geographical and access to training) in order to use an evidenced based approach to deploying resource. • 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 • Working with government departments, combined authorities, local authorities as well as local communities, the voluntary sector and businesses to prioritise digital skills.
<p>Promote Fuller Working Lives:</p>	<p>Continue to develop and implement the North East's Fuller Working Lives (FWL) Strategy with a supporting communications plan that targets employers and addresses the challenges and opportunities around this agenda.</p> <ul style="list-style-type: none"> • Raise awareness of the FWL agenda and the challenges to be addressed • Ensure that FWL and the older workforce are a priority – in-work training, connected communities and improved support to access the labour market.



Transport Connectivity

By 31 March 2020, we will:

Activity	Key deliverables
<p>Continue to progress ongoing transport project delivery:</p>	<p>The Go Ultra Low North East project will have delivered 11 rapid charging hubs at strategic locations around the region and 56 SMEs will have received 12 hours of targeted support and advice about the potential benefits of switching to an Ultra-Low Emission Vehicle (ULEV).</p> <hr/> <p>Delivered 10 EV rapid charging posts for use by the taxi industry. The charge points are funded by the OLEV Taxi Fund.</p> <hr/> <p>The A1 Scotswood to North Brunton and Birtley to Coal House widening schemes are planned to start construction in 2020.</p> <hr/> <p>Morpeth to Felton dualling scheme is due to start before the end of 2019/20.</p> <hr/> <p>By March 2020 major improvements at two junctions on the A69 will be approaching completion, one at the A69/A6079 Bridge End roundabout and one at the A69/A68 Styford roundabout.</p>
<p>Received a final funding award from the Transforming Cities bid:</p>	<p>In November 2019, we will submit our final programme of schemes for the Transforming Cities Fund, in the form of a strategic outline business case, to the Department for Transport. We will have received a final funding award from Government by the end of March 2020.</p> <p>A programme evaluation plan continues to be developed for the Transforming Cities Fund. The evaluation is based around transport outcomes (additional trips by public transport and sustainable transport modes) and achieving wider objectives (improving the catchment area for key employment and training opportunities, broadening employment opportunities for people seeking a new job).</p>

Continue to improve and deliverable better connectivity through improved infrastructure:

The Metro Infrastructure Renewals programme will deliver the following:

- Completion of track renewals from Gateshead Stadium to Felling
- Completion of rail renewal in the Central Area Tunnels from the QEII Bridge to Gateshead Stadium
- Continued progress in renewing Overhead Line Equipment - a programme continuing to 2025
- Remedial work to Crossgate viaduct in South Shields Transport Interchange (including funding through Local Growth Fund)
- Completion of Station refurbishment at Monkseaton, West Monkseaton, Cullercoats, Shiremoor, Palmersville, Benton and Longbenton
- Close out of the Radio system project
- Close out of the Rail Traffic Management System Project
- Renewal of critical point motors – replacing obsolete and difficult to maintain components
- Final commissioning of network wide multi-functional relays – giving enhanced protection in fault conditions
- Continued fleet investment – to improve reliability of current Metro Fleet
- Completion of South Shields Transport Interchange (funded through Local Growth Fund)
- Substantial completion of the Nexus Training and Maintenance Skills Centre (including funding through Local Growth Fund).

The Metro Infrastructure Renewals Programme is subject to periodic review and challenge which is carried out by the Nexus Programme Management Office. This approach ensures robust cost, programme and delivery information is captured and recorded. Periodic reporting and further scrutiny is provided by a Capital Steering Group and the Nexus Senior Leadership Team. Further reporting is provided to the Department for Transport (DfT) via a Programme Board. Additionally, The DfT appoint specialist consultants to review Nexus Project and Programme Management Processes, Capacity and Capabilities on a regular basis (intervals of between 2-3 years) and action plans are agreed and subsequently tracked.

Use transport to drive, innovation and business growth:

We will continue to use transport as an enabler, it links people to employment opportunities, generating economic growth. Enhanced transport connections also improve access to the labour market for businesses, generating business growth. Improved access to labour markets can also attract businesses to the region.

We will continue to improve transport connections, which also make it quicker and easier to transport goods and freight, which enables the economy to grow.

Investment in the East Coast Mainline will provide the capacity and line speeds necessary to meet existing and future requirements, benefitting the region's economy.

We will ensure our focus of the Transforming Cities Fund bid to ensure delivery of improved access to jobs, training and housing through investment in public transport and sustainable transport. This investment will make it easier for residents to access employment opportunities via sustainable transport.

Through the Future Mobility Zone proposal we will seek funding which will enable us to trial new forms of mobility services modes or models across the region. Future Mobility Zone funding would allow us to start to develop concepts which address travel demands. These concepts may include developing new technologies and forms of mobility that best meet the needs of the region's residents.



Investment and Infrastructure

By 31 March 2020, we will:

Activity	Key deliverables
<p>Continue to manage the already secured North East LEP funding effectively:</p>	<p>Programme managers to attend each North East LEP Investment Board that meets on six occasions during 2019/20, ensuring that the governance arrangements set out in the Local Assurance Framework are carried out regarding funding decisions.</p>
	<p>Submit quarterly progress monitoring dashboards to the North East LEP Investment Board.</p>
	<p>Continue to submit quarterly monitoring returns to Ministry of Housing, Communities and Local Government regarding the Local Growth Fund (LGF) and Enterprise Zones.</p>
	<p>Project sponsors to achieve the below LGF key performance indicators by March 2020.</p>
	<ul style="list-style-type: none"> • 1,170 jobs created
	<ul style="list-style-type: none"> • 178 Apprenticeships created
	<ul style="list-style-type: none"> • 156.848sqm of Commercial Floor Space constructed
	<ul style="list-style-type: none"> • 2.6km length of newly built road
	<ul style="list-style-type: none"> • 340 Businesses assisted
	<ul style="list-style-type: none"> • 105 Schools engaged
<ul style="list-style-type: none"> • 100% LGF annual budget expenditure 	
<ul style="list-style-type: none"> • 98% of LGF lifetime budget contracted 	
<ul style="list-style-type: none"> • 10,000 numbers engaged for LGF social media campaign. 	
<p>Lead a 12 month social media campaign to showcase progress and the impact that the LGF projects are having across the regional economy.</p>	
<p>Continue to hold the Technical Officer Group meetings held on a regular basis in line with the North East LEP Investment Board dates, that will monitor programme level risks.</p>	
<p>The following Enterprise Zone sites will have come forward with funding proposals to allow for infrastructure and enabling works to be undertaken:</p>	
<ul style="list-style-type: none"> • Royal Quays Enterprise Zone (North Tyneside) 	
<ul style="list-style-type: none"> • North Bank of Tyne Enterprise Zone (Newcastle upon Tyne) 	
<ul style="list-style-type: none"> • Holborn 2 Enterprise Zone (South Tyneside). 	
<p>Have significant infrastructure works underway or complete on four more Enterprise Zone sites, that will be ready to secure private sector investment at:</p>	
<ul style="list-style-type: none"> • Follingsby Max (Gateshead) 	
<ul style="list-style-type: none"> • Jade Business Park (County Durham) 	
<ul style="list-style-type: none"> • International Advanced Manufacturing Park (Sunderland) 	
<ul style="list-style-type: none"> • Northumberland Energy Park (Northumberland). 	
<p>Enterprise Zone sites in total will be home to more than 1,600 jobs with LEP investment, having been more than £80m in the sites, unlocking more than £130m of public sector investment in total.</p>	

Coordinate partners to develop a regional project pipeline based on spatial economic priorities:	Work with our partners to start and develop a spatial statement for the North East.
	Build on the development of the spatial narrative to research and develop a strategic project pipeline for the North East.
	Continue to work with our partners and coordinate regional bid activity to secure funding for the region, as required.
	Make preparation for any future funding throughout the year including the proposed UK Shared Prosperity Fund.
Secure additional investment in the North East:	Work with partners to secure ESIF funding in the North East ESIF funding (76.4% of notional funding) creating both ERDF and ESF funding allocations:
	<ul style="list-style-type: none"> • ERDF - £263.8m allocation; £141.35m (53.6%) legally committed; £205.32 (77.8%) committed and pipeline • ESF - £224.5m allocation; £110.7m (49.3%) committed; £168m (74%) committed and pipeline • EAFRD - £10.5 *fully committed)
	With our partners, we will have undertaken a series of ERDF and ESF Project Calls across the ESIF Programme, to make every effort to maximise commitment of remaining funds to the region.
	Set out the case for a commercial property fund model for the North East LEP Board to consider, and if approved begin OJEU procurement of Fund Manager.
Increased access to finance for businesses to invest:	Work with the North East Fund Limited to maximise its investment potential for North East SMEs.
	Work with North East Finance and North East Access to Finance to understand how to impact of legacy funding to support North East initiatives.
	Continue to develop our thinking around business finance mechanisms to meet the needs of North East Businesses.

Strategy, policy, evidence and analysis - By 31 March 2020, we will:

Activity	Key deliverables
Develop and publish a North East Local Industrial Strategy (LIS):	<p>Finalise the LIS evidence base and deliver our annual 'Our Economy' event in May 2019.</p> <hr/> <p>Complete an engagement programme with key stakeholders.</p> <hr/> <p>Co-produce the North East LIS with government and key partners.</p> <hr/> <p>Launch the LIS in accordance with the government's timetable.</p>
Influence public policy through collaboration:	<p>Continue collaborative working on Brexit through the North East Brexit Group. Continue to co-ordinate monitoring data to support preparations nationally and to support the group through key activity required in response to economic or governance changes.</p> <hr/> <p>Continue the work programme of the North East Economic Evidence Forum to:</p> <ul style="list-style-type: none"> • Advise the North East LEP on current research and evidence activities • Identify opportunities for collaborative research across forum members • Develop a communication strategy in 2019/2020 to consider how the group will engage with wider audiences through different channels including social media, blog posts, etc. <p>Build a North East LEP wide research programme to ensure that we continue to build our evidence base and take forward our commitment to build our capacity for being evidence led in our work.</p> <hr/> <p>Continue to facilitate the development of strategic approaches to the development of the Areas of Strategic Importance the Strategic Economic Plan.</p>
Continue to work collaboratively across the Northern Powerhouse region:	<p>Continue to work alongside colleagues across the 11 northern LEP's to promote northern growth, help raise our profile, attract investment and realise our economic potential.</p> <hr/> <p>Continue to take on a leading role in the region to help develop and coordinate economic analysis, promote collaborative action in key areas of shared interest and share our understanding of what works. We will also work on other economic geographies to progress action which can deliver priorities in the SEP and the LIS including the East Coast mainline.</p> <hr/> <p>We will continue to proactively share our evaluation evidence and learning with relevant stakeholders including delivery partners and other LEP's; to support building knowledge and understanding of what works in economic development.</p> <hr/> <p>We will continue our active engagement through meetings and events with the LEP Network. Sharing good practice through regular contact with network colleagues, engagement sessions and meetings.</p>

Governance – By March 2020 we will:

Activity	Key deliverables
Continue to implement the LEP Review recommendations:	Review the LEP constitution in line with the LEP review recommendations.
	Hold our first public Annual General Meeting.
	Continue to publish our strategic plans and documents online to ensure these are accessible to the wider public, communities and businesses.
	Maintain digital communications, which is central to our approach to stakeholder engagement.
	Publish the North East LEP Annual delivery plan following board approval in May 2019, which will be followed up with an Annual Review report in March 2020.
	Continue to ensure that the North East Assurance Framework remains a live document that is regularly updated to reflect ongoing updates and developments.
Continue the evaluation of the SEP delivery:	<p>Continue to work with Steer Economic Development, consultants delivering the external evaluation of the Strategic Economic Plan. During 2019/20 they will:</p> <ul style="list-style-type: none"> • Review the baseline report prepared in 2018 to reflect the structure of the updated North East Strategic Economic Plan. • Carry out the next phase of stakeholder consultations which will reflect on current North East LEP. • Undertake a series of mini project evaluations across the five programmes of delivery to supplement the evaluation evidence base. • Capture further Strategic Added Value data to build further understanding of the strategic impact of the North East LEP which can contribute to the overall assessment of economic impact of the North East Strategic Economic Plan.
	<p>To support this activity, we will:</p> <ul style="list-style-type: none"> • Formalise the process of capturing its Strategic Added Value (SAV) • Build on the individual programme recommendations set out in the Annual Report 2019 • Develop a project action plan that sets out the project level evaluations to ensure alignment with the overarching SEP evaluation, and work with programme teams to ensure that evaluation activities are embedded across all programmes. • Develop a communication plan for evaluation findings – both internally across projects and sharing with external partners.

23rd May 2019

**ITEM 6: Financial Outturn 2018/2019; Update on 2019/20 Budget;
and Illustrations for 2020/21 and 2021/22**

1. Introduction

- 1.1 The purpose of this report is to provide an update to the Board on the final outturn revenue budget position for 2018/19, including the performance of the Enterprise Zone account and Local Growth Fund and North-East Investment Fund. A small surplus of £11k was generated compared with a small deficit of £7k that had been expected in the revised estimate for the year. Spending was therefore within the resources available for the year.
- 1.2 This report also provides the Board with an update of this year's budget (2019/20), taking into account the outturn position for 2018/19 and provides an illustration for the following two years 2020/21 and 2021/22. This is in line with previous requests from the Board for a medium-term view of the North East LEPs revenue budget. The illustration for 2021/22 reflects the significant uncertainty around Government funding streams from 2021/22 and presents only a core level of activity for that year. The core budget will be increased as further announcements of additional funding streams are received.

2. LEP 2018/19 Revenue Budget Outturn

- 2.1 The 2018/2019 financial year saw the relaunch of the Strategic Economic Plan and the award of additional external funding, including European Social Funds which has allowed the North East Local Enterprise Partnership (North East LEP) team to grow and increase its activity particularly around the skills agenda.
- 2.2 The LEP core budget covers LEP operational activity and also management of the Local Growth Fund and Enterprise Zone programmes. Table 1 provides a summary of actual spend against the original budget for the year and revised estimate reported to the North East LEP board in January 2019, with supporting notes provided below. The North East LEP board agreed a provisional budget for 2018/19 of £2.962m in January 2018 and noted changes presented in March 2018 resulting in a 2018/19 original budget of £3.087m. With a gross income estimate of £2.804m, the projected drawdown from the LEP reserve was £0.283m. However, there was a good prospect of additional income and potential savings that would enable the LEP to manage delivery of its activity with a smaller draw on reserves at the year end.

- 2.3 The 2018/19 forecast revenue position reported in January 2019 indicated that the expected use of general LEP reserves had reduced to £0.007m. Given that the final outturn resulted in a £11k surplus, there is no requirement to utilise the LEP reserve at the end of 2018/19.
- 2.4 Total revenue expenditure in 2018/19 amounted to £3.174m, which was £0.88m higher than the original budget of £3.087m. However, this increase was met by additional income which is mainly attributable to an award of £200k BEIS supplementary funding, in order to undertake a range of activity in support of the Local Industrial Strategy (LIS) review.
- 2.5 Furthermore, the £59k reduction in revenue expenditure in comparison to the revised estimate of £3.233m is a consequence of offsetting items whose movements are explained in sections 2.8 to 2.17 below.
- 2.6 Total income realised for 2018/19 amounted to £3.185m, which was £0.381m greater than the original budget of £2.804m. This is largely attributable to the LIS funding provided from BEIS, along with increased interest earnings generated from LGF funds which had risen by £202k. This being a result of an improved cash flow position and securing 0.55% annual interest rate, opposed to 0.44% used in determining the very prudent original estimate.
- 2.7 There has been a reduction in total income of £41k compared to the revised estimate of £3.226m, which comprises a number of offsetting items and information about this financial activity is also detailed below.
- 2.8 Employee Costs
Employee expenditure totalled £1,546k, which was a £57k reduction compared to the revised estimate. £25k of this movement can be attributed to vacancies held within the Skills team due to the late confirmation of ESF (European Social Funding) preventing appointment to these roles as planned within 2018/19. The balance of £32k is due to extended vacancy periods relating to a number of roles across the wider teams.
- 2.9 Premises
This expenditure was in line with the budget projections and primarily relates to accommodation costs for the current team base at St James Gate in Newcastle.
- 2.10 Communications
The Communications expenditure for the year was £263k, which exceeds the budget of £247k by £16k. This increase is being funded by LGF for related activity. The successful delivery of the LEP communication strategy is a key aspect of ensuring an effective North East LEP operation.

Table 1 – LEP Revenue Budget Outturn 2018/19

	2018/19 Original Budget	2018/19 Revised Estimate	2018/19 Final Outturn	Variance between Final Outturn and Revised Estimate
	£'000	£'000	£'000	£'000
Employees	1,483	1,603	1,546	(57)
Premises	95	95	101	6
Communications	247	247	263	16
Transport LGF Monitoring	215	60	54	(6)
Growth Hub Operational Costs	243	243	210	(33)
Invite (Horizon 2020) Operational Costs	0	34	34	0
LIS (Local Industrial Strategy)	0	127	105	(21)
Other Operational Costs	614	634	676	42
Inward Investment Contribution	140	140	140	0
Other LGF Costs - Legal Finance	50	50	44	(6)
GROSS EXPENDITURE	3,087	3,233	3,174	(59)
LEP Core & Strategy Grant from MHCLG	(500)	(500)	(500)	0
Local Authority Match Contributions	(250)	(250)	(250)	0
BEIS - LIS production and LEP review	0	(200)	(176)	24
CORE FUNDING	(750)	(950)	(926)	24
Local Growth Fund (programme mgmt costs)	(1,100)	(1,000)	(950)	50
Interest Generated on Funds to fund INEE team	(50)	(254)	(252)	2
Gatsby Grant	(33)	(96)	(84)	12
Growth Hub	(410)	(410)	(410)	0
Enterprise Adviser grant - CEC	(84)	(66)	(87)	(21)
Energy Strategy BEIS TVCA	(80)	(43)	(42)	1
Invite (Horizon 20/20)	(66)	(65)	(71)	(6)
ERDF + Digital Catapult	(50)	(24)	(17)	7
NEIF Contribution to cover activity costs	(50)	(66)	(77)	(11)
EZ Contribution to cover activity costs	(50)	(52)	(52)	0
Contribution from NECA	(30)	(60)	(77)	(17)
NECOP	(45)	(41)	(63)	(22)
European Social Fund	0	(62)	(25)	37
LGF match North East Ambition ESF project	0	(21)	(18)	3
Local Authority Contributions re ESIF Co-ord	0	(9)	(9)	0
Other Income	(6)	(6)	(25)	(19)
EXTERNAL FUNDING	(2,054)	(2,276)	(2,259)	17
GROSS INCOME	(2,804)	(3,226)	(3,185)	41
NET BUDGET	283	7	(11)	(18)

- 2.11 Transport LGF Monitoring and Evaluation
The recharge from the regional transport team for LGF transport project support was £54k, which was broadly in line with the revised estimate. This is however a significant reduction in comparison to the original budget figure of £215k. This is due to the majority of LGF transport schemes having progressed through appraisal and the level of work therefore reducing.
- 2.12 Growth Hub Operational Costs
Non-salary costs in delivery of the Growth Hub initiatives were £33k less than budget. The strategy was to establish a digital presence and now that this is in place, funds are being targeted to bring in more people on the ground to deliver the next phase of the strategy, in line with BEIS expectations.
- 2.13 Invite (Horizon 2020) Operational Costs
The non-salary costs in delivery of the Horizon 2020 initiative were in keeping with the revised estimate of £34k and grant funded. The project supports the development of a well-connected European Open Innovation ecosystem.
- 2.14 Local Industrial Strategy Operational Costs
The North East LEP were awarded £200k of funds to implement the LEP Review recommendations and towards the production of the Local Industrial Strategy. In addition to the £105k operational costs, £71k of staffing costs have been met from this funding source. The remaining £24k of funding is for continued LIS development work in 2019/20.
- 2.15 Other Operating Costs
Expenditure on this budget area totals £676k for 2018/19, which is £42k greater than the revised estimate of £634k. The additional costs relate to the LGF promotional campaign and is being met from LGF grant funding. Expenditure covered by this budget includes; corporate costs for general LEP running costs (i.e. IT equipment, travel expenses and support services) and an allocation for each of the North East LEP led SEP strands of Innovation, Business Growth and Skills. Enterprise Advisor delivery is also included within this area of expenditure.
- 2.16 Inward Investment Contribution
The agreed contribution of £140k to the Invest North East England (INEE) team was made during the year.
- 2.17 Other External Consultancy Costs
£44k of the £50k budget was used to obtain external consultancy where specialist support and advice was required.
- 2.18 Income
Funding to support the above activities was provided from a number of sources as shown in table 1.

- 2.19 Core Funding
£700k grant funding was provided by Government with the £24k balance of BEIS grant carried forward to fund 2019/20 activity. The seven local authorities contributed £250k as match funding for part of the Government core funding grant.
- 2.20 Local Growth Fund (LGF) Grant (programme management costs)
The drawdown from Local Growth Fund to support programme management activity was £916k, with a further £34k of revenue expenditure met through utilising funding swaps. The £950k total was lower than forecast, and was mainly due to a lower recharge from the regional transport team for LGF transport project support. The £150k reduction in comparison to the original budget of £1,100k will be available in future years.
- 2.21 Local Growth Fund Interest
The annual LGF grant allocation paid by government in full at the beginning of the financial year attracted sizeable interest sums which were used to fund the INEE team. The £252k interest generated is in line with the revised estimate, and £202k higher than the original budget figure due to a significantly improved cash flow position and through securing 0.55% annual interest rate, opposed to 0.44% which was used in determining the original estimate.
- 2.22 Gatsby Grant
The slight reduction of £12k compared to the revised estimate of £96k was due to a need to match expenditure, which had reduced due to vacancies. The Gatsby Foundation programme ceased on 31st March 2019 and the roles will continue with funding provided through a combination of ESF and LGF.
- 2.23 Growth Hub Grant
The £410k funding received in 2018/19 was in line with the budget.
- 2.24 Careers Enterprise Company
£87k grant funding was applied in 2018/19, which was £21k greater than the revised estimate and a result of meeting additional operational costs from this funding source.
- 2.25 Energy Strategy TVCA Grants
£42k was drawn down in line with the revised estimate and used to meet the costs of the Energy Programme Lead.
- 2.26 Invite (Horizon 20/20)
£71k was drawn down for 2018/19, which was broadly in line with the revised estimate and used to meet the costs of staffing and operational costs.

- 2.27 ERDF & Digital Catapult
£17k was drawn down, which was broadly in line with the revised estimate and used to meet the costs of the Digital Lead officer.
- 2.28 NEIF & EZ Contribution
As agreed by the Board, activity relating to the delivery and management of the Enterprise Zone and North-East Investment Fund (NEIF) initiatives is funded via a drawdown from the respective Enterprise Zone Business Rates and NEIF Repayments' reserve. The drawdown from the EZ reserve to fund LEP team costs in 2018/19 amounted to £52k and NEIF repayments reserve charge for 2018/19 was £77k. Other Enterprise Zone costs are charged directly to the Enterprise Zone account as outlined in section 4 below.
- 2.29 NECA Contribution
This £77k contribution was towards Chief Officer support, which includes a back-pay adjustment. This arrangement ceased as of 31st March 2019 and therefore will not be applicable from 2019/20.
- 2.30 NECOP
£63k of grant funding was applied in 2018/19, which was £22k greater than the revised estimate and a result of meeting additional staffing and operational costs from this funding source.
- 2.31 European Social Fund (ESF) & LGF North East Ambition Match Funding
An official confirmation securing ESF grant totalling £1,059k, which is available until March 2021 was only provided in March 2019. As part of this bid a supplementary match contribution of £750k towards the North-East Ambition Projection from the LGF has to be made over the same period, which is in addition to the LGF programme management contribution. As a result of the delay, recruitment to the roles funded from this grant was deferred, explaining why the drawdown of £25k ESF and £18k LGF match is less than the revised estimate.
- 2.32 Other Income
Additional miscellaneous income of £25k was received from various sources including; National Learning & Work Programme, and recovery of costs and consultancy fees from the National Stem Learning Centre. Local Authorities are also billed for 1/8th contribution towards the ESF Co-ordination role.

3. North East LEP Revenue Balances

- 3.1 Table 2 below shows the North East LEP revenue balance as at 31st March 2019. The reserve has increased by £11k over the year to £585k.

Table 2 – Revenue Balances

Budget Area	Opening Balance £000	Movement in 2018/19 £000	Closing Balance £000
LEP Reserve	574	11	585

4. North East Enterprise Zones

- 4.1 Round 1 Enterprise Zones are located across four local authority areas; Newcastle, North Tyneside, Northumberland and Sunderland. Business rates growth generated on these designated sites accrues to the benefit of the North East LEP for a 25-year period, 2018/2019 was the sixth year of the Round 1 zones' life.
- 4.2 In April 2017 these were joined by a further ten sites across, Durham, Gateshead, Newcastle, Northumberland, South Tyneside and Sunderland with the International Advanced Manufacturing Park (IAMP) site launched on the 1st April 2018 to complete the coverage. With the exception of the IAMP, it is the second year of the round 2 sites life. Ramparts (Northumberland) has generated Business Rates Growth Income during 2018/19, as the site required no capital investment to enable occupation to occur on part of the exiting established industrial estate.
- 4.3 Table 3 below provides a summary of the Enterprise Zone account over the last six years. Business Rate Income for 2018/19 amounted to £1,825k. Expenditure, including accelerated repayments back to the NEIF, amounted to £1,644k. The surplus for the year was £206k, resulting in a cumulative surplus of £2,913k being held at the end of 2018/19.
- 4.4 Business Rate Growth Income was slightly higher than expected as the contingency factor built into the projections did not materialise. However, this should be treated with caution as baseline income estimates increase significantly over the next few years and latest projections indicate that there will be cash flow pressures that are having to be actively managed. Financing costs were lower than expected due to slippage of some capital payments into 2019/20.

Table 3 – Enterprise Zone Account

	Actual 2013/14	Actual 2014/15	Actual 2015/16	Actual 2016/17	Actual 2017/18	Actual 2018/19
Business Rate Income						
Round 1						
Newcastle	312	330	262	614	437	501
North Tyneside	14	55	100	165	160	194
Northumberland	12	28	96	173	321	334
Sunderland	696	653	745	743	708	750
Round 2						
Northumberland	0	0	0	0	0	46
Total Rates Income	1,034	1,066	1,203	1,695	1,626	1,825
Interest		3	7	5	11	25
Grant					30	0
Total Income	1,034	1,069	1,210	1,700	1,667	1,850
Costs						
NEIF Repayments	0	0	542	1,306	1,302	1,238
Financing Costs	0	0	424	0	0	235
Inward Investment Contribution	0	0	0	6	148	71
EZ Costs	0	9	9	115	112	100
Total Costs	0	9	975	1,427	1,562	1,644
Annual Surplus	1,034	1,060	235	273	105	206
Cumulative Surplus	1,034	2,094	2,329	2,602	2,707	2,913

5. Local Growth Fund and North-East Investment Fund

- 5.1 The Local Growth Fund programme delivered over £51.7m of activity during 2018/19 across the SEP themes making full use of all LGF grant available for the year and cumulatively. This is explained in more detail in the separate report on the LGF Programme.
- 5.2 The NEIF initial £55m allocation was made up of £25m Growing Places and £30m Regional Growth Funding. A number of projects supported through loans are now making repayments and as this is returned the funding is available for reinvestment in new projects and other opportunities. Repayments (including interest) received in the year including the Enterprise Zone transfer totalled £5.655m.
- 5.3 A further advance of up to £777k was granted to the Cobalt ICT Broadband Infrastructure scheme and a commitment of up to £1.5m approved for the North-East Mining Institute. At the year-end some £14.401m was available to support new projects.

6 LEP Revenue Budget 2019/20 to 2021/22

- 6.1 The budget position for 2019/20 was reported to the North East Combined Authority as the accountable body for the North East LEP on 5th February 2019, and the North East LEP Board on 31st January, 2019. The proposed budget was approved by both Boards with no issues identified. This report includes latest information about the 2019/20 budget including the impact of the outturn for 2018/19.
- 6.2 Table 4 provides a summary of the three-year revenue budget for the North East LEP showing financial years 2019/20, 2020/21 and 2021/22. The explanatory notes from sections 7 to 8 provide further information.
- 6.3 Over the three years, if no additional income is identified the costs are estimated to exceed the available grant and core contributions income by up to £36k in 2019/20; £400k in 2020/21 and £552k in 2021/22. This deficit is funded from the LEP reserve in 2019/20 and supplemented from the assumed surplus on the Enterprise Zone account in 2020/21 (contribution of £400k) and 2021/22 (contribution of £500k) as previously agreed by the Board. This enables the potential risk of not securing additional income to be managed.
- 6.4 In November 2014, the Board agreed that Enterprise Zone Business Rates Growth Income surplus of up to £500k per annum could be utilised to support the revenue budget if required. To date there has not been a requirement to use this facility and therefore in effect saving £2m of potential spend from the EZ account. It is anticipated that £400k will be required in 2020/21 and a further £500k in 2021/22 to achieve a LEP Reserve balance of £497k at 31st March 2022.
- 6.5 There are active funding bids which if successful will provide additional income and reduce the potential drawdown against the EZ account in both years. Furthermore, an announcement is expected shortly in respect of the UK Shared Prosperity Fund and there is the potential to secure continuation of funding for skills and other operational activity from 2021/22 onwards. Until this funding is confirmed, only a core budget is illustrated for 2021/22.
- 6.6 The LEP manages the uncertainty of funding by using fixed term staffing contracts and by being able to reduce other operating costs to reflect the available funding streams; and by the availability of reserves and other funds which it can draw on to support activity, such as the use of the agreed Enterprise Zone contingency contribution, which is illustrated in table 3 above.

Table 4 – Three Year North East LEP Budget 2019/20 -2021/22

	2019/20 Budget (Jan 19)	2019/20 Budget (Adjusted May 19)	2020/21 Base Budget	2021/22 Base Budget
	£'000	£'000	£'000	£'000
Employees	2,403	2,508	2,085	934
Premises	190	190	190	190
Communications	247	247	252	257
Transport LGF Monitoring	100	100	50	0
Growth Hub Operational Costs	138	117	297	294
Invite (Horizon 2020) Operational Costs	66	66	39	0
LIS (Local Industrial Strategy)	0	24	0	0
Other Operational Costs	614	614	614	614
North East Ambition Operational Costs	206	100	109	0
Inward Investment Contribution	140	140	140	50
Other LGF Costs - Legal Finance	50	50	50	0
GROSS EXPENDITURE	4,155	4,157	3,827	2,339
LEP Core & Strategy Grant from DCLG	(500)	(500)	(500)	(500)
Local Authority Match Contributions	(250)	(250)	(250)	(250)
BEIS - LIS production and LEP review	0	(224)	0	0
CORE FUNDING	(750)	(974)	(750)	(750)
Local Growth Fund (programme mgmt costs)	(1,100)	(950)	(850)	(518)
Interest Generated on Funds to fund INEE	(50)	(140)	(100)	(50)
Growth Hub	(410)	(410)	(410)	(410)
Enterprise Adviser grant - CEC	(173)	(190)	(71)	0
Energy Strategy BEIS TVCA	(57)	(79)	(15)	0
Invite (Horizon 20/20)	(102)	(102)	(54)	0
ERDF + Digital Catapult + AHSN	(63)	(103)	(60)	0
NEIF Contribution to cover activity costs	(66)	(66)	(58)	(59)
EZ Contribution to cover activity costs	(52)	(52)	(54)	0
NECOP	(106)	(136)	0	0
European Social Fund	(579)	(464)	(551)	0
LGF match North East Ambition ESF project	(280)	(314)	(419)	0
EY	0	(75)	0	0
DfE	0	(40)	(35)	0
LA Contributions re ESIF Co-ordinator	(20)	(20)	0	0
Other Income	(6)	(6)	0	0
EXTERNAL FUNDING	(3,063)	(3,147)	(2,677)	(1,037)
GROSS INCOME	(3,813)	(4,121)	(3,427)	(1,787)
NET BUDGET	342	36	400	552
BROUGHT FORWARD BALANCE	(574)	(585)	(549)	(549)
Use or (Contribution) LEP Reserves	342	36	400	552
EZ Contribution	0	0	(400)	(500)
CARRY FORWARD BALANCE	(232)	(549)	(549)	(497)

7. Adjustments to 2019/20 Original Budget

- 7.1 The overall budget for 2019/20 presented to the board indicated a £4.155m gross expenditure budget, funded by a range of Government grant income sources; a £250,000 core contribution from the seven local authorities; and interest on revenue balances.
- 7.2 The latest 2019/20 Budget position is showing £4.157m of gross expenditure which although broadly in line with the previous estimate contains some offsetting adjustments.
- 7.3 Employee costs have risen from £2.403m to £2.508m. £50k of the £105k increase is attributable to applying superannuation costs to any newly created roles where positions are filled from the 1st April 2019. Which is a prudent measure until confirmation is received that this is unnecessary. The remaining £55k can largely be attributed to re-phasing employee spend within the Skills team, which is funded by a range of grant schemes, including the European Social Fund (ESF), LGF North East Ambition match contribution and NECOP.
- 7.4 £176k expenditure was incurred in 2018/19 relating to the £200k BEIS funding outlined for activities in developing the Local Industrial Strategy (LIS) and implementing the LEP Review. £24k has been rolled forward to 2019/20 to fund activities that commenced but did not complete in 2018/19.
- 7.5 There has been a reduction in North East Ambition Operational costs from £206k to £100k, which is a decrease of £106k. This is largely a response to the delay in receiving official confirmation that the ESF funds are secured.
- 7.6 The balance of £21k, is associated with a reduction in Growth Hub operational costs.
- 7.7 Gross Income has increased to £4.121m from £3.813m. Additional funds have been secured from EY to provide a £75k contribution towards the skills team, and a further £40k from DfE towards analyst activity. AHSN have also agreed to fund the Life Sciences role at approximately £40k. Revised estimates for interest earnings indicate a £90k increase in earnings for 2019/20. Furthermore, although official confirmation is still awaited, it is the expectation that £200k of additional BEIS funding will be provided plus the £24k carry forward. There has been re-phasing of LGF funds in order to provide income in 2021/22 and this has resulted in a £150k reduction in 2019/20. The balance of £11k is a result of small net decreases across a range of grant funding sources available to the Skills team.
- 7.8 While the latest Budget projection for 2019/20 shows a small use of reserves, the intention will be to manage costs and income to try to avoid using reserves at the year end.

8. Budget illustrations in Future Years

8.1 Indicative budget figures are also shown for 2020/21 and 2021/22. Inflation of 2% has been built into the estimate of employee costs and where appropriate other expenditure estimates.

8.2 Employees

The Employee expenditure budget shows a slight reduction in 2020/21 and a significant drop in 2021/22 due to the potential for a number of fixed term posts coming to an end in conjunction with the related income sources. If additional funding is secured, there is the potential for continued activity and higher employee costs are likely. However, until funding is confirmed only a core staffing budget is illustrated out of prudence.

A 2% annual national pay award assumption has been factored into the employee budget for all three financial years, and the national pay award will be implemented which it is agreed each year.

The NECA pension fund enables the 0% employer superannuation contribution rate to continue throughout this period. When compared to the previous superannuation contribution rate of 20.5%, this provides a significant budget saving of over £300k in 2019/20, over £200k for 2020/21 and over £100k is projected for 2021/22.

A staff turnover allowance of 3% has been factored into the employee budget for all three financial years, which is considered prudent given experience in recent years.

8.3 Premises

The LEP is negotiating a 5-year lease with a 3-year break clause to accommodate a larger office area within the building to support the team. Although the accommodation costs are fixed until the break in 2022 a provision to recover these costs is built into the funding that would be secured for additional activity of people using the accommodation space.

8.4 Communications

The proposed Communications budget for 2019/20 onwards represents a continuation of the budget agreed by the Board at its meeting in March 2017 adjusted for inflation. Key aspects of the budget include development of the communications activity related to delivering the SEP and the LIS, plus the continuation of essential PR & Media support

8.5 Transport LGF Monitoring and Evaluation

The reduced budget allocation of £100k in 2019/20 and £50k for 2020/21 reflects that the majority of the LGF transport schemes have progressed through appraisal.

8.6 Growth Hub Operational Costs

The continuation of £410k Growth Hub funding in 2020/21 and 2021/22 has been indicated by central government although official confirmation is awaited. The Growth Hub connectors which are funded through this source currently have Fixed Term Contracts which expire in March 2020. Once confirmation is received it is likely to result in extension of these contracts and this cost will result in a commensurate reduction in the operational costs reflected in the current budget estimate for 2020/21 and 2021/22 and overall would be cost neutral.

8.7 Invite (Horizon 2020) Operational Costs

The Invite budget relates to a three-year Horizon 2020 project ending in 2020/21.

8.8 Other Operating Costs

An on-going corporate delivery budget of £330,000 is required for general LEP running costs for example IT equipment, travel expenses and support services. In addition, the North East LEP led SEP strands including Innovation, Business Growth and Skills have an operational allocation to ensure delivery and that the necessary progress can be obtained. Allocations for LGF finance and legal support provided by the accountable body, Investment Fund (NEIF) support and Enterprise Advisor delivery are also included.

The total budget for 2019/20 to 2021/22 is broken down over the noted areas as follows;

Delivery Area	Budget (£'000)
Corporate / General	330
Innovation	110
Strategic Policy & Economic Analysis	80
Business Support/Access to Finance	24
Skills	20
LGF Legal and Finance Support	50
Operating Costs TOTAL	614

Although this budget figure has been continued over the whole of the three-year period, it will be kept under review each year and elements could change from one year to another. There is flexibility within the budget and it could be reduced in 2021/22 if this was necessary.

8.9 Inward Investment Contribution

The agreed allocation of £140k per annum is included in the budget for 2019/20 and 2020/21. There is a proposed reduction to £50k in 2021/22 to coincide with the overall reduction in income and this could be increased to its previous level if additional funding is secured and match funding continues to be provided by the local authorities, which has been only agreed for 2019/20 at this time.

8.10 LGF External Consultancy

A £50k per annum Legal and Finance allocation has been retained for 2020/21 to commission external consultancy where specialist support and advice is required, particularly for project appraisals.

8.11 Income

8.12 LEP Core Funding & Strategy Grant

Funding of £500k is expected to continue over the medium term although it is only confirmed by Government in the Spring of the Calendar year to which it relates. The Local Authority Match Contribution requirement of £250,000 was agreed at the NECA Leadership Board meeting held on 5th February 2019 and the NTCA Cabinet meeting on 5th February 2019, this will be provided in equal 1/7th shares by the 7 Local Authorities that are members of the North East LEP for 2019/20. It is considered on an annual basis.

8.13 BEIS LIS Review

As outlined in section 7.7, BEIS have indicated that a further £200k of LEP review/support funding will be made available in 2019/20; although this is subject to formal confirmation. BEIS have also informally suggested that the overall LEP capacity allocation is being positively reviewed.

8.14 Local Growth Fund (LGF)

As previously agreed by the Board, a 2.5% top-slice of the Local Growth Fund allocation is available to support the delivery of the programme, primarily LEP team staffing costs. Although the LGF programme officially ends in 2020/21, by using funding SWAPs, funds will be available in 2021/22 to support the extended activity. As the programme reaches conclusion there has also been a reduction in qualifying expenditure which explains the decrease between years. The drawdown of the balance of the top-slice budget is profiled to be made as follows;

	2019/20	2020/21	2021/22
	£'000	£'000	£'000
LGF Programme Management	950	850	518

8.15 Local Growth Fund Interest

As the annual LGF grant allocation is paid by government in full at the beginning of the financial year, the cash balances held are able to attract sizeable interest sums. An estimate for each financial year is included within the budget, based on an assumption of the timing of LGF expenditure. The level of interest generated naturally reduces in line with the reducing LGF grant receipts in future years. We will continue to seek to maximise the level of interest earned on cash flow balances and will update the estimate when the budget is reviewed during the year.

- 8.16 Growth Hub Grant
The continuation of the Growth Hub grant funding has been confirmed for 2019/20 at £410k. It is expected to continue at least the same level for the ensuing two years although we await confirmation and exact details.
- 8.17 Careers Enterprise Company (CEC)
An allocation of £295k CEC funding was secured and made available until August 2020 and alongside ESF funding enables the Enterprise Advisor roles to continue and the creation of Enterprise Co-ordinators positions plus a Careers Hub Facilitator on a FTC basis. The figures included in the budget represent the expected grant drawdown in each of the respective years.
- 8.18 Energy Strategy Grants
Approximately £100k of available grant funding remains at the beginning of 2019/20 and the expected drawdown to mainly cover the costs of the Energy Programme lead is reflected and is budgeted to cease by the end of June 2021, unless alternative budget is secured.
- 8.19 Invite (Horizon 2020)
An allocation of €271k euros which equates to approximately £242k was made available until March 2021, with activity beginning in 2017/18. The expected drawdown for next two financial years is reflected in the budget.
- 8.20 ERDF, Digital Catapult and AHSN
Approximately £70k of ERDF and Digital Capital funds remain at the beginning of 2019/20 after taking into account the drawdown in 2018/19 and used to finance the Digital Lead budgeted to continue until the end of March 2020. AHSN have agreed to provide funding for a Life Sciences specialist until the end of March 2021.
- 8.21 NEIF / EZ contributions
Relates to support in these areas to cover the cost of the two dedicated programme managers.
- 8.22 European Social Fund and LGF North East Ambition match funding
The LEP was successful in securing ESF grant totalling £1,059k (which has subsequently been revised to £1,040k), and is available until March 2021. The budgeted drawdown for 2019/20 and 2020/21 is reflected within the budget. As part of this bid a supplementary match contribution of £750k towards the North-East Ambition project from the LGF was made over the same period, which is in addition to the existing LGF programme management contribution.
- 8.23 EY & DfE
EY have agreed to contribute £75k towards the North East LEPs skills programme. In addition, the DfE are providing funding towards the North East LEPs analyst activity over the next two years.

8.24 Other Income

Local Authorities are also billed for 1/8th contribution towards and ESF Co-ordination role.

9. Recommendations

9.1 The Board is requested to:

- i. Note the positive budget outturn position for 2018/19.
- ii. Note the 2019/20 budget and, 2020/21 and 2021/22 medium term budget illustrations for the North East LEP.
- iii. Note the potential requirement to drawdown up to £500k from the Enterprise Zone account in financial years 2020/21 and 2021/22 in line with a previous LEP Board approval.

23 May 2019

**ITEM 7: Implementing the LEP Review and
Governance Update**

1.0 Background

1.1 On 23 July 2018, Government issued a policy paper entitled ‘Strengthened Local Enterprise Partnerships’, which was the result of a detailed review of Local Enterprise Partnerships (LEPs) nationally. The document can be found at:

<https://www.gov.uk/government/publications/strengthened-local-enterprise-partnerships>

The executive summary states that ‘In the Industrial Strategy, Government committed to work with Local Enterprise Partnerships to bring forward reforms to leadership, governance, accountability, financial reporting and geographical boundaries. It is critical that Local Enterprise Partnerships are independent and private sector led partnerships that are accountable to the communities they support. At the same time, it is important to set out a model that will underpin future national and local collaboration. This will be essential to the development of Local Industrial Strategies and in the context of the future UK Shared Prosperity Fund.’

The Government–led review of LEPs culminated in the publication of this document, which includes a series of Government commitments alongside several requirements for LEPs to implement. These are set out in appendix one. The North East LEP already complies with or is on target to implement 16 of the 20 requirements. The four outstanding requirements are set out below for consideration by the Board. They are to:

- Develop a process for appointing future Chairs and Vice Chairs including consultation with the business community before appointing a new Chair or Vice Chair;
- Have a Voluntary and Community Sector (VCS) representative on the Board.
- Have at least two-thirds of the Board from the private sector;
- Have one-third female Board members by March 2020 and one half by 2023.

1.2 The LEP Board held a workshop in January to discuss the LEP Review and the implementation of the requirements. This report, firstly, outlines the remaining requirements to ensure full compliance with the LEP Review, and secondly, sets out proposals to further strengthen the North East LEP’s governance model, which were also discussed at the January workshop.

2. Implementing the outstanding actions from the LEP Review

2.1 Appointing a future Chair and/or Vice Chairs including consultation with the business community:

The LEP Constitution sets out that the private sector members should be ‘*through public appointment and interview*’ (paragraph 3.4) and that ‘*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*’ (appendix 5).

It is therefore proposed that we continue in line with the current Constitution to use a public advert and the Nolan Principles to fill any private sector vacancy, and for the Board to elect its Chair and Vice-Chairs from its membership. To further strengthen current practice and meet Government’s expectations, it is proposed that we:

- Utilise the support offered by Government through their recruitment media to fill vacancies as required;
- Liaise with the business representative organisations ahead of the relevant Board meeting, (namely, the CBI, NEECC, FSB, Entrepreneurs Forum and Make It (formerly EEF)), to understand their preference for Chair and Vice Chair(s) to inform the Board’s decision.

2.2 Voluntary and Community Sector Board representative

At the workshop, the Board discussed and endorsed the appointment of a VCS representative. The Board are asked to formally approve this proposal to create an additional VCS Board position, to enable the Executive team to move forward to recruitment. This will take the Board membership to 19.

2.3 Board membership to be at least two-thirds private sector members:

The LEP Review states that the LEP Board membership must not exceed 20 members. The North East LEP Board currently has 18 members and therefore complies with this requirement. The proposal in paragraph 2.2 for an additional VCS member will increase the Board membership to 19.

Paragraph 3.1 of the Constitution sets out that the current 18 members of the Board are:

- nine private sector representatives, including the Chair;
- seven local authority representatives;
- one higher education representative;
- one representative of further education colleges.

Paragraph 3.2 of the Constitution states that the local authority members will be the respective Leaders of the Council/Elected Mayor as appropriate.

However, the current Board make-up exceeds the public/private sector membership ratio required by the LEP Review, which states that two-thirds of the Board must be from the private sector. For clarification, the education (and VCS) representatives are counted as private sector.

There are currently 7 out of 18 public sector members, which is 38.9% of the Board and therefore more than one-third. The public/private ratio changes to

7/19 with the VCS member at 36.8%.

Councillor Malcolm wrote to Andrew Hodgson in a letter dated 15 March 2019 in his position as Chair of the North East Combined Authority reflecting the views of NECA. He requested that *“we understand the implications of the review and suggest that one Leader or Elected Mayor, being the seven public sector representatives, should attend the Board as an Observer and that this will rotate between the collective Leaders and Elected Mayors on an annual basis.”*

This view was also discussed at the workshop. It is therefore proposed that one of the seven public sector members becomes a non-voting observer or co-opted member. This position will rotate on an annual basis (April to March) in alphabetical order by local authority. It is important to note that this non-voting position must rest with the public sector, given it is the level of the public sector membership which is the issue and causes non-compliance for Government.

This proposal means that there will be 6/18 - 33.3% or (6/19 – 31.6% with a VCS member) public/private members, which meets the requirement.

2.4 Board membership to be one-third females by March 2020 and one half by 2023:

The current Board membership is set out in appendix two.

There are 5 females (28%) and 13 males (72%).

The Government’s LEP Review fails to recognise that half of our current LEP Board are members because of their public or employment positions, which includes the seven democratically elected members and two education members.

It is therefore proposed that the recruitment of new private sector Board members required during 2019, as part of the sector recruitment rotation, will enable the 6 females out of the 18 Board member ratio (or 7/19 with a VCS member) to be met by March 2020.

The Board will need to consider in the future how we then move to a 50:50 gender balance by March 2023. Indicative examples of how this could be achieved could be a mixture of an additional private sector member (and still not exceed the 20 maximum Board membership) and by the local authorities’ taking responsibility for how their nominations contribute to the 50% gender balance, possibly by having Portfolio Leads representatives. This is a matter for a future Board discussion.

3. Further strengthening the LEP governance model

3.1 Advisory Boards

The Board agreed in November 2018 to reflect the regional combined authority governance changes into the LEP Governance Model. Both Combined Authorities were asked to nominate a member for each of the four LEP sub-boards, which are set out in figure one below. The proposed members from the North East Combined Authority (NECA) and the North of Tyne Combined Authority (NTCA) for the sub-boards are set out in table one below.

The terms of reference for each sub-board will be amended accordingly.

Figure 1 – The North East LEP Governance Model

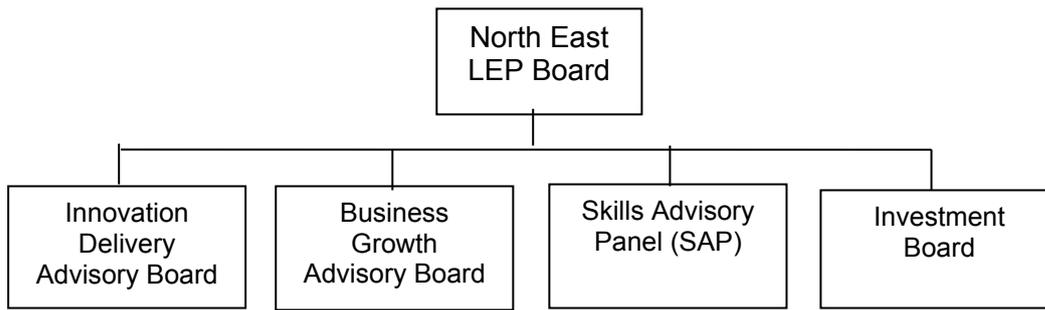


Table 1 – Combined Authorities’ membership on the LEP Sub-Boards

LEP Advisory Board	NTCA Representative	NECA Representative
Innovation Delivery Advisory Board	Cllr Nick Forbes	Cllr Graeme Miller
Business Growth Advisory Board	Cllr Peter Jackson	Patrick Melia
Skills Advisory Panel	Cllr Wayne Daley	Cllr Simon Henig
Investment Board	Cllr Bruce Pickard	Cllr Iain Malcolm

It is also proposed that each sub-board reviews its membership where appropriate, to ensure the membership continues to meet the needs of the group.

3.2 Vice Chairs

The Constitution sets out a provision for one private and one public sector vice chair. The public-sector vice chair position is currently vacant. Given the regional governance changes, it is proposed that there are 3 vice chairs;

- one private sector vice chair (Heidi Mottram);
- one public sector vice chair nominated by the North East Combined Authority local authority representatives (Councillor Malcolm);
- one public sector vice chair nominated by the North of Tyne Combined Authority local authority representatives (TBC).

3.3 Board recruitment

It is proposed to formalise future Board member recruitment by agreeing to and documenting the precedent process undertaken over recent years.

Appendix 5 of the Constitution states that Board membership should “*reflect the geography of the North East LEP area, key sectors and different sizes of business operation. Future recruitment of private sector members shall similarly take these matters into consideration.*”

A public recruitment will be undertaken utilising the networks of the local business representative organisations, plus Government’s recruitment media as required. The Chair and Vice Chairs will shortlist, interview and appoint new Board members.

3.4 Board induction

A Board Induction policy and material will be developed and delivered for new members, which is being encouraged by Government.

3.5 Quorum

At the workshop in January, members discussed the Board's quorum. There was consensus that a simple majority of 10 out of 18 members would make up a quorate meeting, or 10 out of 19 if the additional VCS position is endorsed.

In the event a meeting is not quorate, a written representation procedure will be initiated within 3 working days of the Board meeting. This formalises the current practice, where all Board members will be required to complete the written representation declaration regardless of whether they were present at the meeting or not.

3.6 Voting

The Constitution states that "the principle of decision making by the Board shall be that, wherever possible, without the need for a vote." However, if it is not possible to reach a consensus, it is proposed that a simple majority vote is undertaken, where the Chair does not have a casting vote.

3.7 Local Authority Membership

As set out in paragraph 2.2 of this paper, the Constitution provides for seven local authority members. Given the regional governance changes and the creation of two combined authorities, it is proposed to formalise the already agreed position between the two combined authorities that four of these members will be elected members from the NECA area and three will be elected members from the NTCA area.

The NTCA may choose to have the North of Tyne Mayor on the Board as one of their three members.

3.8 Board Champions

The Board have previously agreed to designate one of the private sector member positions to champion Small and Medium Enterprises (SME). Having an SME representative is also a requirement by Government. Ammar Mirza holds this role, which is proposed to continue.

In addition, the Board have also previously discussed appointing an Equality and Diversity Champion from amongst its membership. The Board are asked to endorse this, which can be achieved either from the current membership or through the private sector recruitment in 2019.

4.0 NECA and NTCA governance

4.1 The North East Combined Authority confirmed their portfolio areas and leads in February 2019, as follows:

- Finance, and Skills and Employment – led by Councillor Simon Henig;
- Economic Development and Digital – led by Councillor Graeme Miller;
- Transport – led by Councillor Martin Gannon;

In addition, Councillor Iain Malcolm is the Chair of NECA.

4.2 The North of Tyne Combined Authority agreed their Vision in November 2018, which has six pillars;

- Champion of enterprise - Securing the investment for sustained growth and prosperity to create opportunities and reduce inequalities;
- Leaders of tomorrow - Driving up educational standards to deliver inclusive prosperity;
- Hotbed of talent - Giving everyone the opportunity to thrive, led by xxx.
- Spark of innovation - Supporting research, business growth and entrepreneurialism;
- Network of connections - Improving our transport and investing in faster digital infrastructure;
- Pride of place - Communities that inspire and places where people want to live.

To deliver the key pillars of the NTCA Economic Vision, six portfolios have been established, each led by a Cabinet Member. These are:

- Economic Growth – led by Councillor Bruce Pickard;
- Business Competitiveness – led by Councillor Nick Forbes;
- Education – led by Councillor Wayne Daley;
- Employability and Inclusion – led by Councillor Joyce McCarty;
- Housing and Land – led by Elected Mayor Norma Redfearn;
- Place and Productivity – led by Councillor Peter Jackson.

Both Combined Authorities will hold an Annual Meeting in June to (re)confirm the portfolio leads for the 2019/20 period.

4.3 It is important the both combined authorities reciprocate the partnership working and have LEP representatives on their governance groups too. Both Combined Authorities have been requested to propose how the LEP is represented.

4.4 Board is asked to note that the regional Joint Transport Committee (JTC) is the governance body for transport matters across the LEP geography.

5.0 Recommendation

4.1 Therefore, the Board is asked to:

- a) Agree to the process set out paragraph 2.1 to appoint a future Chair and/or Vice Chairs including consultation with the business community;
- b) Agree to add a VCS member to the Board;
- c) Agree that one of the seven public sector members becomes a non-voting observer or co-opted member, which will rotate on an annual basis (April to March) in alphabetical order by local authority;

- d) Agree that greater gender diversity should be achieved by the recruitment of new private sector members and a VCS member;
- e) Agree the proposals set out in paragraphs 3.1 to 3.8 inclusive;
- f) Agree to the amendments agreed in (a) to (e) above to be reflected into the Constitution, and delegate the sign-off of the updated Constitution to the Chair of the LEP Board;
- g) Note the NECA and NTCA governance in paragraphs 4.1 and 4.2 and the request by the LEP to reciprocate arrangements.

Appendix one – Implementation of the LEP Review by the North East LEP

	LEPs are required to:	North East LEP position	RAG
1	Confirm the economic geography for the LEP	No proposed changes to the LEP Boundary confirmed by the LEP Board in July 2018	G
2	Set the economic strategy for the area	Lead the Strategic Economic Plan and Local Industrial Strategy development	G
3	Develop an evidence base to underpin the development of the Local Industrial Strategy (LIS)	A separate report to this Board meeting provides an update on the LIS evidence base, which will also be reported into a Government meeting scheduled for early June.	G
4	Develop a robust evaluation of the Strategic Economic Plan (SEP) and LIS	Independent, external consultants have been commissioned for a 3 year period to evaluate the strategy.	G
5	Produce a compliant Assurance Framework	Assurance framework updated following annual review and report to Board 31 st January 2019 and published on website. NECA S73 Officer certified North East LEP assurance framework as compliant in letter to MHCLG 7 th February 2019.	G
6	Produce an annual delivery plan by 31 May 2019	The draft Annual Delivery Plan has been produced for endorsement at the 23 May 2019 LEP Board	G
7	Produce an end of year report for 2019/20	MHCLG submission date for the End of Year Report for 2019/20 has not yet been confirmed. It is likely to be circa 31 May 2020.	G
8	Consult the business community before appointing a new Chair or Vice Chair	Process outlined as part of this report.	G
9	Define term limits for Chairs and Vice Chairs	Already set out in the LEP Constitution	G
10	Have a maximum board of 20 people	Already compliant with 18 members on the Board.	G
11	Have at least two thirds of the Board from the private sector	Proposal outlined as part of this report.	G
12	Have one third female Board members by March 2020 and one half by 2023	Proposal outlined as part of this report.	G
13	Have a Voluntary and Community Sector representative	Proposal outlined as part of this report.	G

	on the Board		
14	Have a secretariat independent of local government	Already compliant.	G
15	Establish a 'Legal Personality' by April 2019	Already compliant with the North East Combined Authority (NECA) acting as the accountable body. For information - A proposal is being developed by the North of Tyne Mayoral Combined Authority to take over this function, which will come to a future LEP Board for consideration.	G
16	Identify a single Accountable Body by March 2020 to be responsible for funding	Already compliant with the North East Combined Authority (NECA) acting as the accountable body. For information - A proposal is being developed by the North of Tyne Mayoral Combined Authority to take over this function, which will come to a future LEP Board for consideration.	G
17	Hold an Annual General Meeting (AGM) in public during 2019/20	The proposal for an AGM breakfast event is being developed for Autumn 2019.	G
18	Set out who is accountable for spending decisions, appointments, and overall governance locally	This is set out in the LEP Constitution and the Accountable Body Agreement.	G
19	Set out external scrutiny and expert oversight arrangements	Already compliant with the Accountable Body's Overview and Scrutiny Committee undertaking this role.	G
20	Develop and publish an agreement between the LEP and the MCA, which sets out respective roles and responsibilities to provide clarity on accountability for public funding	A proposal is being developed by the North of Tyne Mayoral Combined Authority to take over the accountable body function, which will come to a future LEP Board for consideration. The Accountable Body Agreement, which sets out the accountability for public funding will be updated. The LEP and MCA also have their own Assurance Frameworks, which set out the process to allocate public funding. The LEP's Assurance Framework is published on the website.	G

Appendix Two – North East LEP Board Membership at 23 May 2019

Member	Position	Gender	Term one start date	Date after two terms
Private Sector Members				
Andrew Hodgson	Chair	Male	28/01/2016	27/01/2022
Heidi Mottram	Vice Chair	Female	13/04/2016	12/04/2022
David Land	Private Sector Member	Male	24/10/2011	30/11/2017
Gillian Hall	Private Sector Member	Female	10/12/2013	06/12/2019
Andrew Moffat	Private Sector Member	Male	13/04/2016	12/04/2022
Mark Thompson	Private Sector Member	Male	13/04/2016	12/04/2022
Farooq Hakim	Private Sector Member	Male	13/04/2016	12/04/2022
Ammar Mirza	Private Sector Member	Male	24/11/2016	23/11/2022
Kate Wickham	Private Sector Member	Female	07/06/2018	06/06/2024
Education Members				
Stuart Corbridge	HE Member	Male	27/09/2018	Usually 2-year tenure
Ellen Thinnesen	FE Member	Female	27/09/2018	Usually 2-year tenure
Local Authority Members				
Cllr Nick Forbes	Public Sector member	Male	24/10/2011	
Cllr Martin Gannon	Public Sector member	Male	26/05/2016	
Cllr Simon Henig	Public Sector member	Male	24/10/2011	
Cllr Peter Jackson	Public Sector member	Male	25/05/2017	
Cllr Iain Malcolm	Public Sector member	Male	24/10/2011	
Cllr Graeme Miller	Public Sector member	Male	07/06/2018	
Mayor Norma Redfearn	Public Sector member	Female	24/10/2011	

Note – Andrew Hodgson’s tenure as Vice Chair was from 24/10/2011 to 28/01/2016