



The Marches LEP

Delivery Plan

2019/2020



European Union
European Structural
and Investment Funds

Version No.	Date Issued	Summary of Changes
Version 1.0	30 April 2019	First draft circulated to Local Growth Assurance and partners
Version 2.0	24 May 2019	Produced as per LEP Review guidelines. Signed off by Marches LEP Board 21/05/2019.
Version 3.0	16 July 2019	LEP Chair Recruitment date altered

Contents

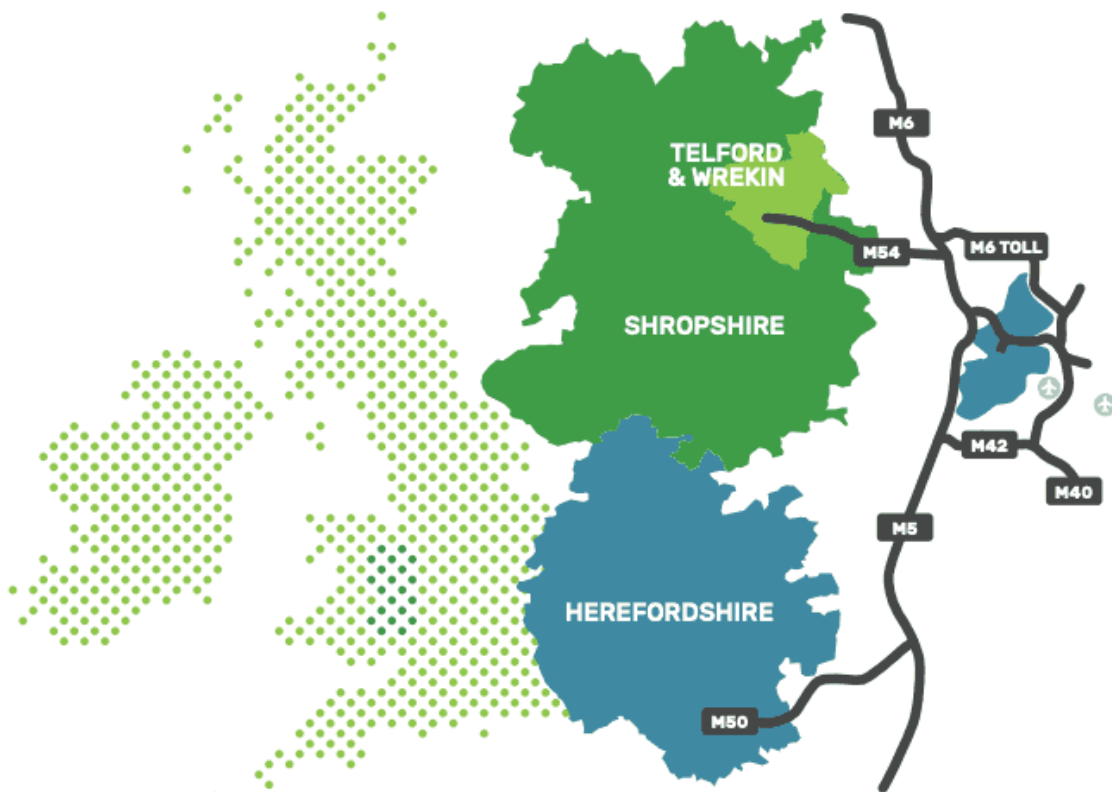
1.0	Introduction	1
2.0	Summary and Strategic Objectives.....	2
2.1	Strategic Economic Plan	2
2.2	Key Performance Indicators	2
2.3	Local Industrial Strategy	4
2.4	Key Actions for 2019/20	4
3.0	Governance.....	5
3.1	Overview of LEP Governance	5
3.2	Key Actions for 2019/20	6
4.0	Delivery	7
4.1	Skills.....	7
4.1.1	The Careers and Enterprise Company.....	7
4.1.2	National Apprenticeship Service	7
4.1.3	Skills Advisory Panels.....	8
4.1.4	Institute of Technology (IoT)	8
4.1.5	European Social Fund (ESF)	9
4.1.6	Growth Deal.....	9
4.1.7	Sector-based Skills Provision.....	9
4.2	Infrastructure	9
4.2.1	Strategic Transport Corridors.....	9
4.2.2	Prioritised Road Investment Programme.....	10
4.2.3	Network Readiness for Autonomous and Ultra-low Emission Vehicles.....	10
4.2.4	Energy	10
4.2.5	Digital Connectivity (5G/Broadband)	11
4.2.6	Continuing Engagement with Midlands Connect & Welsh Partners.....	11
4.3	Marches Investment Fund	12
4.4	Hereford Enterprise Zone	12
4.5	Marches Growth Hub.....	12
4.6	European Structural Investment Funds (ESIF)	13
4.7	Telford Land Deal.....	16
4.8	Monitoring and Evaluation	16
4.9	Outputs Expected to be Delivered in 2019/20.....	17
5.0	Local Growth Fund	19
5.1	Overview	19
5.2	Projects	20
5.3	Monitoring and Evaluation	21
5.4	Outputs Expected to be Delivered in 2019/20.....	22
6.0	Strategic Activity.....	23
6.1	Partnership Development	23

6.2	Business and Community Consultation	23
6.3	Marketing and Communications	24

1.0 Introduction

This Delivery Plan sets out what Marches Local Enterprise Partnership (LEP) Ltd intends to deliver in the 2019/20 financial year.

It is a dynamic document and thus may be subject to change, as the 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 LEP's web site and shared with government as soon as is practicable.



2.0 Summary and Strategic Objectives

2.1 Strategic Economic Plan

The Marches LEP's new Strategic Economic Plan (SEP) was formally approved in March 2019 and a copy can be found at [The Marches LEP Strategic Economic Plan 2019](#). This clearly sets out our vision for the area as:

- A place which is open for business, up for business and pro-growth.
- At the forefront of changes in how people live, and work using new technology and improved physical and digital connectivity to enable businesses and people to develop, grow and succeed.
- A growing place, attracting more people to come, stay and build their careers and businesses.
- A destination not a boundary - gateway to markets in the Midlands, Wales, South West, North and Europe.
- A visitor destination with significant natural and cultural resources that is well known and attracts people looking for a high-quality experience.
- A pioneer in the provision and testing of digitally driven health and social care for dispersed populations supporting healthy ageing and economic participation in later life.
- A global centre of excellence in advanced manufacturing, specifically automotive, cyber security, and the next phase of technology development in agriculture, environment and food production.
- An inclusive place that enables residents from all communities to thrive and develop with quality jobs offering good wages, training and progression.
- A collaborative and proactive place with businesses, further education institutions (FEIs), higher education institutions (HEIs) and public organisations working together to agree what needs to happen and getting things done.
- Known as a good place to start and grow a business.

The SEP articulates our ambition to become a £23.8bn economy with 5,200 more businesses and 58,700 new jobs by 2038 and it provides a strategic framework to enable this. During 2019/20 we will work with partners to consider opportunities to develop programmes to support the implementation of the SEP, including its key themes of our strategically important sectors, innovation and business environment, skills, and infrastructure and places.

The SEP will also help shape our responses to consultations on the recently announced Stronger Towns Fund initiative and to the UK Shared Prosperity Fund. This will ensure that these new initiatives support the achievement of the goals and vision that have been agreed with partners through the collaborative co-creation of the SEP.

2.2 Key Performance Indicators

To understand our impact on the local economy, in 2019/20 the LEP will develop and monitor a suite of Key Performance Indicators (KPI's). The Marches LEP has

recently procured additional resource through the Black Country Consortium to manage this process effectively, providing the LEP with Regular Intelligence Briefings and an Annual Report to help understand data and trend changes. This will enable informed decisions to be made in relation to the projects/programmes and activity which will help our aspirations in driving economic growth across the region.

Below is an overview of our KPI's, as set out within the 2019 Marches SEP:

By 2038, we have the potential to:

Grow our economy by **£8.7bn**



to **£23.8bn**

Increase GVA per head to

£29,425



Raise our population to **807,500**



Build **54,400** new homes



Create **5,200** new businesses and **58,700** new jobs



Increase the proportion of residents with NVQ Level 3+ to **60%**



We want to grow our economy in an inclusive and sustainable way:

Be in the **top 25%** for life satisfaction nationally



Create **1,000** new jobs in low carbon sector by 2030

Move to **50%** renewable electricity generation by 2030



Reduce 1990 carbon emissions by **57%** by 2032

Lower fuel poverty to

below 10% by 2030

2.3 Local Industrial Strategy

During 2019/20 we will develop a Local Industrial Strategy (LIS) for the Marches LEP. To support this, we have engaged an external consultancy resource, Metro Dynamics, who will work with us to create a strategy articulating our local shared priorities for negotiation and agreement with government. This will build on our SEP and highlight our area's unique strengths which can be harnessed to drive productivity and inclusive growth. We will continue to consult with the business community to identify sector/ market opportunities and to gather qualitative feedback to inform our existing evidence base.

2.4 Key Actions for 2019/20

- We will update our evidence base to ensure that we can demonstrate a clear understanding of the structure of our local economy. This will consolidate the work already completed in developing our SEP and will improve our sectoral analysis.
- Additional research into a tourism strategy, a digital strategy and opportunities for innovative healthcare development has been commissioned on behalf of the Marches LEP and will be completed by the end of June 2019.
- Consultation with businesses will sense check our updated evidence base and collate qualitative feedback from the private sector. Facilitated workshops will be held between May and September 2019 to gather information from businesses in the following sectors:
 - Advanced manufacturing and engineering;
 - Food and Drink/agri-tech;
 - Environmental technologies;
 - Cyber security and resilience.
- We will establish a Skills Advisory Panel (SAP) by September 2019 to support the development of the people strand of our LIS and consider how investment in curriculum development can support it.
- We will hold consultation events, supported by the three business boards, FSB, Chambers of Commerce, NFU and other stakeholders, to consolidate our LIS consultation.
- We will continue to liaise with government departments in the drafting our LIS to enable it to be submitted to government for formal sign-off in quarter 4 of 2019/20.

3.0 Governance

3.1 Overview of LEP Governance

In March 2019 the Marches LEP amended its governance structures to reflect the requirement by Government to become a legal entity. The Marches LEP now operates as a Company Limited by Guarantee (CLG) (Company No 11822614) and the LEP Board is the LEP's ultimate decision-making authority from henceforward. Its Board comprises 15 members from both the public and private sector.

The LEP was awarded an exemption by Ministry of Housing, Communities and Local Government (MHCLG) to complete both the Articles of Association for the new company and update its Accountability and Assurance Framework (in line with the MHCLG national guidance by 31 May 2019).

Service Level Agreement

As a consequence of the requirement by MHCLG for the LEP Secretariat to be fully independent of Local Authority influence, the LEP will be putting in place a service level agreement (SLA) with Shropshire Council. This will outline the services the Council will provide, i.e. legal, HR, procurement, finance and IT support for the LEP Secretariat. It is proposed the SLA will be in place by July 2019 following sign off by the LEP Board and will include details of the costs the LEP is paying for each of the services being provided.

Recruitment of a new LEP Chair and Board Members

In January 2019 the LEP Board agreed the process to recruit two new Board members to fill two vacancies on the Board. The marketing and promotion of these vacancies was actively targeted at recruiting female Board members. 13 expressions of interest were received by the end of March 2019 and the work of shortlisting and interviewing the potential new Board members will be completed by the end of May 2019. The aim is that, after induction, the new Board members will become Directors of the company at the July 2019 Board meeting.

In April 2019, the process to recruit a new Private Sector LEP Chair was initiated as the current Chair Graham Wynn OBE will have served as Chair for six years in July 2019. The process was started by undertaking a month-long consultation period to seek the views of the business community in the Marches on the role of the LEP Chair. An external recruitment agency will be appointed in May 2019 to support the LEP Chair appointments panel in the search for suitable candidates, shortlisting and the interview process. The aim is to have the new Chair named by the end of September 2019, to undertake a period of induction and handover and the new Chair to become a Director of the company at the November 2019 LEP Board meeting.

Scrutiny

The LEP has agreed with the three local authorities that it will attend their relevant scrutiny panels twice a year from Autumn 2019. Going forward, the LEP will be asked to report to each Local Authority/Scrutiny Panel in September/ October on progress made in delivering outputs and targets in the first 6 months of that year and highlight future developments for the LEP. This will be followed up in each April/May with

reports on progress made in delivering its previous year's annual delivery plan and report on development plans and investments for the following year.

Accounts

Shropshire Council as the accountable body for the LEP will produce a statement of accounts for 2018/19 which will be reviewed by the Board at their July 2019 meeting and then loaded on to the LEP website. The LEP Board is not intending to trade the new company in 2019/20 whilst clarification is sought from the Government on its position as to whether it is required to trade the company or not. If it is required to trade the LEP would then need to work through the implications of the additional costs of incurring VAT and external audit etc. In the meantime, the LEP will continue to use Shropshire Council, as its accountable body, to manage its finances and issue funding agreements and contracts on its behalf.

First Annual General Meeting March 2020

The LEP will schedule a date for its first AGM for March 2020 and promote the meeting to stakeholders.

3.2 Key Actions for 2019/20

- Articles of Association for Marches LEP Ltd and the Accountability and Assurance Framework to be agreed by the LEP Board on 21 May 2019.
- A service level agreement between Marches LEP Ltd and Shropshire Council to be agreed and put in place by July 2019 which will include details of the costs the LEP is paying for each of the back-office services being provided by Shropshire Council.
- Two new Board members to be recruited in May /June 2019 and join the LEP Board in July 2019.
- New LEP Chair to be recruited and join the LEP Board by September 2019.
- The three Local Authorities to invite the LEP to attend scrutiny panels in September/October 2019 and March/April 2020.
- 2018/19 statement of accounts to be agreed by July 2019.
- AGM date to be agreed and promoted by 28 February 2020 to stakeholders.

4.0 Delivery

4.1 Skills

4.1.1 The Careers and Enterprise Company

The Careers and Enterprise Company (CEC) <https://www.careersandenterprise.co.uk/> is a national network set up to inspire and prepare young people for the world of work. It aims to connect schools and colleges, employers and careers programme providers to create high-impact careers opportunities for young people across England.

We will continue to support our three Enterprise Coordinators in their work with schools and colleges in each of our local authority areas to build connections to businesses and high-impact careers activities. They are currently engaged with 16 schools and colleges in Herefordshire, 23 schools and colleges in Shropshire and 18 schools and colleges in Telford & Wrekin. In 2019/20 we will engage with more than 60 schools and colleges across the Marches LEP area and will explore expansion to one extra half post Enterprise Coordinator.

We continue to develop the Enterprise Advisor Network across the Marches LEP area to support additional school and college engagement. We will promote national CEC campaigns, e.g. the 'Give an hour' campaign in April 2019, to raise the profile of opportunities for business volunteers to deliver careers activities in schools or college.

4.1.2 National Apprenticeship Service

The Marches LEP continues to work alongside the National Apprenticeship Service to promote apprenticeships and T Levels to employers and learners in the Marches LEP region. Apprenticeships are one of the key priorities for the Marches LEP to address the area's skills gaps and changing business demands.

National Apprenticeship Week is an opportunity to promote apprenticeships to a wider audience, in particular, to smaller businesses who may not have taken on an apprentice previously. Activity in 2019 saw an increase in the number of apprenticeship enquiries to the Marches LEP. We will continue to build on this agenda for the next twelve months and plan activity for National Apprenticeship Week 2020 with our partners. The Apprenticeship Show, which is held annually, is a joint initiative with Telford & Wrekin and Shropshire local authorities, the British Army and the University of Wolverhampton. This year saw an increase in attendance from the previous year, with 35 schools and colleges attending and 3,700 delegates (including learners, parents and carers) hearing from 65 businesses on opportunities available through apprenticeships. Following the success this year, we plan to further increase numbers of attendees for the event in March 2020.

T Levels are new courses that will be delivered from September 2020, they will follow GCSEs and be equivalent to three A Levels. T Levels will combine classroom theory, practical learning and a minimum 45-day industry placement to make sure

students have real experience of the workplace. The Marches LEP, supported by the National Apprenticeship Service, has worked with providers to plan and deliver multiple employer engagement events to support industry placements and T Levels. This has given providers the opportunity to engage with businesses early and demonstrate their facilities and provision to prospective employers. Using our positive relationship with the FSB and Chambers of Commerce, the LEP has ensured that there is a diverse collection of employers represented at events. We will continue to raise the profile of T Levels with employers throughout 2019/20.

4.1.3 Skills Advisory Panels

Skills Advisory Panels (SAP) aim to bring together local employers and skills providers to pool knowledge on skills and labour market needs, and to work together to understand and address local key challenges. This includes both immediate needs and challenges and looking at what is required to help local areas adapt to future labour market changes and to grasp future opportunities. The new Skills Advisory Panel will replace the Marches LEP Skills Board in October 2019.

To help colleges, universities and private training providers deliver the skills required by employers, now and in the future, the Marches LEP has secured funding to increase its analytical capability. This will enable the SAP to use an evidence-based approach to define, develop and deliver local post-16 skills provision to better meet labour market needs. The Marches LEP will continue working with the Skills Advisory Programme Team, led by the Department for Education (DfE), to develop an analytical toolkit that will underpin the work of the SAP.

We will build on our work with the Department for Culture, Media and Sport (DCMS) and the Department for Work and Pensions (DWP) to support the development of a new digital skills toolkit and increase our understanding of digital skills trends in line with the priorities outlined in our SEP.

4.1.4 Institute of Technology (IoT)

The Marches LEP was included in a successful IoT bid led by Dudley College of Technology alongside an extensive partnership including The Universities of Wolverhampton and Worcester and employers such as Thomas Dudley Ltd, The Hadley Group, Grainger & Worrell Ltd, The Dudley NHS Foundation Trust and Fulcro Coins. By 2025 the IoT plans to support over 2,000 new learners following higher level technical programmes with an emphasis on Apprenticeships. The project totals some £32.5m of investment.

The new IoT will focus its provision on advanced manufacturing, modern construction methodologies and medical engineering, all of which are critical transformational sectors for the regional economy. The project will include the development of a three-storey 4,750m² building sited on Castle Hill adjacent to the new Metro stop, the very Light Rail Innovation Centre and the Black Country Living Museum. Work on the flagship new build is planned to start in October 2019 with the Institute open for learners in September 2021. Elements of the IoT will also operate from the Marches Centre for Manufacturing Technology in Bridgnorth where activity will focus on the delivery of higher-level skills programmes.

4.1.5 European Social Fund (ESF)

ESF funds help local areas stimulate economic development by investing in projects which support innovation, businesses, skills and job creation. See section 4.6 below.

4.1.6 Growth Deal

See section 5.0 below.

4.1.7 Sector-based Skills Provision

During 2019/20, The Marches LEP will continue to work with partners to identify opportunities to support skills interventions and curriculum development in our key sectors.

This will mirror work undertaken in 2018/19 where the Marches LEP pulled together training providers and businesses from the construction sector in order to respond to an opportunity from the Construction Industry Training Board. Through the provision of bid writing investment and partnership support, the Marches successfully secured funding for a Construction Skills Hub to encourage new entrants to the sector. Delivery of this project will be monitored in 2019/20 and additional opportunities will be sought to continue to support this and other sectors.

4.2 Infrastructure

The Marches LEP Transport Officers Group (TOG) produces an Annual Work Plan, providing strategic focus for the year ahead. The following provides an overview of the group's priorities during 2019/20.

4.2.1 Strategic Transport Corridors

Following the adoption of the 'Investing in Strategic Transport Corridors in the Marches' report (May 2016), the Marches LEP continues to lobby and support scheme promoters in delivering key projects that sit within each corridors' project pipeline. The corridors are outlined below:

- North – South Spine
- East – West Central
- North West Frontier
- Wales and Marches to Midlands

Priority schemes include the A53 Shrewsbury North West relief road, M6 / M6 Toll / M54 link road, A5 / A483 corridor improvements and the Hereford Bypass/A49 improvements.

4.2.2 Prioritised Road Investment Programme

Following completion of Phase 2 of the Joint Appraisal Framework a prioritised road investment programme will be developed by Quarter 3 2019/20. This will include:

- Preparing of briefing notes relating to schemes, describing the schemes and capturing their objectives, providing a standardised resource across all schemes.
- Identify the feasibility and design work done to date on schemes.
- Carrying out a gap analysis between the feasibility and design work carried out.
- Bringing schemes to the same stage of development in terms of feasibility and design.

This process will be an invaluable tool in providing the LEP with a clear, concise and transparent evidence base from which future funding can be attracted into the region – helping to further improve our transport network.

4.2.3 Network Readiness for Autonomous and Ultra-low Emission Vehicles

Considerable work is being carried out at a national and international level into the future for completely autonomous vehicles and ultra-low emission vehicles – both for private and commercial use. The TOG on behalf of the LEP will continue to review this emerging demand, including work with key stakeholders around future opportunities.

4.2.4 Energy

In 2018/19 the Marches was one of the first LEP's to have produced an Energy Strategy. This strategy identifies key constraints such as areas where our existing energy infrastructure is already at capacity, but also highlights areas of strength and opportunities.

For the 2019/20 period our Energy Group will be developing a delivery plan implementing the vision outlined within the strategy, which will include the following key milestones:

- Liaise more closely with the local electricity network operators (DNOs) to understand constraints and planned work.
- Development of an Energy Innovation Zone to undertake a pilot smart grid project.
- Facilitating the establishment of a Centre for Agri-Tech Innovation in the Marches.
- Work with energy companies to influence local use of ECO funds for energy efficiency.
- Actively participating in the Midlands Energy Hub:
 - To support and develop local energy projects across the Marches
 - Administer and promote the £1.8 million Rural Community Energy Fund for the Midlands Region.

- And to share best practice nationally
- Develop, co-ordinate and support new and existing Low Carbon EU/ERDF funded projects across the Marches including;
 - The Marches Renewable Energy Grant Scheme (MarRE)
 - Sustainable Energy in Public Buildings (SEPuBu)
 - Business Energy Efficiency Programme (BEEP)
- To support the development and expansion of district energy schemes, including the existing heat network at Southwater in Telford and the potential Hereford heat network.

To help bring forward the Delivery Plan the Marches LEP Region is recruiting an officer through the Midlands Energy Hub who will work with the Energy Group around delivering actions, whilst also acting a link officer with central government.

During the first quarter of 2019/20 the Energy Strategy will be launched digitally, helping to disseminate across partners, generating momentum. A physical launch has also been planned in collaboration with the Marches Local Nature Partnerships around the autumn period.

4.2.5 Digital Connectivity (5G/Broadband)

During the 2019/20 period the Marches LEP will be developing a 'Digital Strategy' to help support the evolving digital needs of the Marches economy - in line with Government's aspirations.

The strategy will help to understand the challenges a digital economy will pose for the Marches' business sectors, whilst also prioritising those sectors that have the greatest potential to benefit from digital growth.

Once the Strategy has been completed the Investment Priorities will become known and a workplan around their development will be developed.

4.2.6 Continuing Engagement with Midlands Connect & Welsh Partners

Given its relatively dispersed locations/destinations for freight movements and its low population density, the Marches region is highly dependent on road freight transport. As a consequence, the Marches LEP enjoys a close working relationship with Midlands Connect and also partners in Wales (representation at the TOG group) to ensure a co-ordinated approach is being undertaken in respect to the development and improvement of our transport network.

During the 2019/20 period the LEP will continue to build on the relationships established through wider engagement with our partners. On 8 May 2019 the LEP hosted a Briefing Event in the House of Commons - this event was undertaken in collaboration with Local Authority transport leads, Midlands Connect, Growing Mid Wales Transport leads and Welsh Government. The purpose of was to outline the Marches and Growing Mid-Wales transport priorities in advance of the Comprehensive Spending Review.

4.3 Marches Investment Fund

The Marches LEP was originally allocated £8.1million Growing Places Fund and to date two loans and one interest-free recyclable grant have been awarded, leaving a balance of £4,205,806.79.

Monitoring of the contracts will be ongoing during 2019/20 to ensure that repayments continue to be on track, in line with agreements, and that outputs are being achieved. Harper Adams University are expected to complete repayment of their loan (£749,999.98) in 2019/20 and Dicentra (£650,392.23) in 2020/21. The most recent award of £2,493,80, allocated in 2018 to support the development of the Shell Store Incubation Centre in Herefordshire, will begin to draw down funds during 2019/20, with repayments scheduled to begin in 2021/22.

The Marches LEP is working with partners to bring forward two pipeline projects, Oswestry Innovation Park (up to £3.5million interest-free recyclable grant) and the Residential Opportunities Fund (covering the whole Marches LEP area and supported through a grant of up to £1million).

During 2019/20, the Marches LEP will identify additional resources to support the development of projects and to consider additional opportunities for the use of MIF funding in line with local priorities.

4.4 Hereford Enterprise Zone

The Hereford Enterprise Zone was designated as the Enterprise Zone for the Marches LEP in 2011.

Herefordshire Council is the principal landowner and is investing in the necessary infrastructure to open up the site and make plots ready for sale and development. As at the end of 2018/19 over 44 acres of land had been sold or was committed to development, 46,000 sqm of workspace has been developed or committed, representing £48m of investment value, with 38 businesses moving onto the Zone. These were employing 744 people on occupation, with a further 1,056 in their growth plans.

In 2019/20 objectives are to sell or develop a further 14 acres, triggering 13,000 sqm of workspace development, with 15 more businesses moving onto the Zone. In addition, a top priority in 2019/20 is to ensure the efficient implementation of two keynote projects supported by the Marches LEP, which will be under construction in the year – The Shell Store Incubation Centre and the Centre for Cyber Security.

4.5 Marches Growth Hub

Business support services delivered by and accessed through the MGH will continue in 2019/20, with BEIS funding of £205,000 used to support our partnership model. Investment in staffing, premises and running costs by our local authority economic development teams and the University of Wolverhampton has established three physical sites in Shrewsbury, Telford and Hereford where businesses can attend events and receive 1:1 support. In addition, the MGH teams deliver outreach

support, e.g. in some of our market towns, to support engagement across the Marches.

The focus of 2019/20 will be to continue to increase interactions with businesses and to signpost them to appropriate follow up support, including referrals to ERDF programmes, local authority business support and, where appropriate, private sector providers. This will be encouraged by working with the Marches LEP's PR and Marketing Consultants, Be Bold Media Ltd, to maximise engagement via the MGH website www.marchesgrowthhub.co.uk , e-newsletters, social media campaigns, advertorials and MGH events.

During 2019/20 the Marches LEP will map its business support services against its new Strategic Economic Plan to assess their alignment to SEP priorities and identified growth sectors. Opportunities to further increase MGH capacity and capability in dealing with access to finance and skill enquiries and referrals will also be explored.

Partnership working will continue to be encouraged through the MGH governance and meeting structures, i.e. through the MGH Operational Group (two monthly), MGH Steering Group (quarterly) and MGH Campaign (two monthly) meetings. These will continue the sharing of good practice.

To support businesses in achieving their growth ambitions, the Marches LEP will continue the development of its Access to Finance Forum. Led by a Marches LEP Board member, the Forum will continue to work with the business and professional services sectors, particularly financial intermediaries, to raise the profile of available schemes and to build capacity and capability within the Marches Growth Hub teams.

4.6 European Structural Investment Funds (ESIF)

The Marches LEP area continues to benefit from 2014 – 2020 European Structural and Investment Funding (ESIF). The Marches has £104.5m to spend on local investment across the three ESIF funding streams, including the European Regional Development Fund (ERDF) (£60m), European Social Fund (ESF) (£42m) and Rural Development Programme England (RDPE)(£7.5m).

Funded activity commenced from January 2016 and at 31 March 2019, approximately 75% of the overall budget across the three funds has been committed on activity that is currently in delivery or under appraisal. The remaining uncommitted funds will largely be committed by the end of 2019/20. All funded activity will cease by 31 December 2023.

The funds support a range of activities that aim to improve the local economic performance of the Marches and include business finance and grants, business and innovation support, incubation and grow on space, environment works, workplace and vocational training and employability. Much of the business orientated activity is promoted through the Marches Growth Hub and in so doing it works with range of intermediaries, including universities, local authorities, fund managers and training providers.

The key outputs for ERDF are businesses supported, people trained and jobs created. It is estimated that over the lifetime of the programme, it will have assisted 3,000 businesses, helped to create over 1,000 full time equivalent jobs and support over 20,000 training participants.

The ESF programme supports unemployed and inactive people into employment including those furthest from the labour market and young people not in education, employment or training (NEET), upskilling and re-skilling the workforce of SMEs to support economic growth, engaging businesses with skills and training to increase opportunities for apprenticeship, traineeships, work experience etc. and to improve the relevance of education and training to local growth needs.

The Marches LEP, with the support of the Marches ERDF and ESF Technical Assistance Officers, will continue to maximise the drawdown and impact of ESIF funds during 2019/20 and during the period will:

ERDF

- Run ERDF call windows between June and September 2019, to utilise all the remaining £10.5m across the funding priorities, including the £2m allocation exchange that was agreed in March 2019 with Cumbria, to provide the Marches with more Research and Innovation funding.
- Help and advise at least 10 outline or full applications for ERDF funding, achieving an approval success rate of 90%.
- Publish two professionally designed ESIF newsletters to promote the funds and successful projects.
- Hold at least five ERDF dissemination events to promote ERDF-funded programmes and funding opportunities, with at least one occurring in each of the local authority areas.
- Continue to promote ERDF business support programmes through the Growth Hub, ensuring that Growth Hub Officers remain updated with current programme-level information.

ESF

- Hold a minimum of 5 ESF communication events to promote current and future calls:
 - Current IP 1.1 tender co-financed by DWP (skills support for the unemployed) – Marches-wide workshop held 30 April 2019 for local providers to meet prime bidders to explore sub-contracting opportunities, final bids to be submitted 14 June 2019, contract commencement 7 October 2019 for 3-year contract. Four prime providers have expressed an interest in bidding for the contract covering the More Developed and Transition areas.
 - Current IP 2.2 open call via DWP (improving the labour market relevance of education and training systems) – events are being held on 8 May 2019 for

the More Developed area and 9 May 2019 for the Transition area. Work has been done with stakeholders and it is anticipated that bids will come forward in both areas.

- Re-procurement of IP 1.4 (management of a Community Grant Scheme) co-financed by the ESFA – awaiting procurement timetable from ESFA. Promotional events will be held in the More Developed and Transitional areas.
- Communication events will be held in Autumn 2019 to showcase ESF projects and support will be provided to potential bidders.
- Publish ESF e-Newsletter and bulletins to keep stakeholders up to date and promote future opportunities and showcase existing projects. Funding opportunities are also promoted on the Marches LEP website.
- Support for new ESF providers and contract holders to maximise their performance, i.e. new contract awards to Landau, Dimensions Training Solutions, University of Chester, Telford & Wrekin Council, Marches Centre of Manufacturing and Technology (MCMT) started delivery April 2019.
- Continue discussions with DWP Managing Authority to develop plans for committing remaining allocations, or potential applications to the Reserve Fund for additional allocation where priorities are over-subscribed, potentially in IP 2.2. If all ESF currently out for tender or allocated to contract extensions is committed, the commitment rate for the More Developed area will be 95% and for the Transition area 93%.

4.7 Telford Land Deal

The Telford Land Deal established a new model of public land disposal which has accelerated the sale of residential and commercial sites and is set to see up to £44.5m of land receipts from the sale of Homes England land assets in Telford recycled back into the local area. Cumulatively, by the end of 2018/19, the Deal has delivered c£3.3m in local profit share for reinvestment.

Moving into its fifth year, this unique partnership between Telford and Wrekin Council, Homes England and the Marches LEP is seeking to maintain momentum in the delivery of outputs with more challenging sites coming forward in the programme. Significant upfront investment will continue to be made into de-risking both commercial and residential sites which will include securing outline planning consents and installing supporting strategic infrastructure. During the next 12 months, the Deal will actively seek to accelerate the delivery of residential sites supporting Homes England to achieve their residential targets for their current five-year delivery plan ending 2019/20.

At the April 2019 meeting of the Telford Land Deal Board, approval was given to the proposed Investment and Disposal Programme for 2019/20 which forecasts the following potential outcomes:

- Housing Units completed - 285
- Commercial floorspace completed 12,530m²
- Jobs accommodated/created - 650

Over the next 12 months, the Land Deal will also continue to support the delivery of NI-Park, the flagship Agri Tech Newport Innovation and Enterprise Park. Using Growth Deal funding accessed through the Marches LEP and in partnership with Harper Adams University, NI-Park will provide opportunities for start-ups and larger companies to invest and benefit from the University's knowledge, reputation and partnership with key industry partners including JLR and Caterpillar. In the last 12 months, planning consent has been secured for the development proposals and, reflecting the strength of the Agri Tech sector and the local investment offer, Telford was recognised by the Department for International Trade as one of its first 3 national High Potential Opportunity pilots. During 2019/20, work will commence to deliver the supporting strategic highway infrastructure for NI-Park which will enable the delivery of the phase 1 starter units.'

4.8 Monitoring and Evaluation

Each Funding/Growth Programme has developed its own monitoring and evaluation processes, helping to record specific activities and successes as well as identifying potential risks and any lessons learnt.

4.9 Outputs Expected to be Delivered in 2019/20

Outputs	Actual achieved to date	Forecast in 2019/20	Current Forecast 2020/21	Total Forecast
<u>Marches Investment Fund (MIF)</u> Shell Store Incubation Centre	N/a	N/a	£4m Public sector leverage (ERDF & Herefordshire Council) 45 Construction jobs	£4m Public sector leverage (ERDF & Herefordshire Council) 45 Construction jobs
<u>Marches Growth Hub (MGH)</u> Individuals that receive 'light touch' triage information and/or signposting support excluding website traffic) Businesses that receive 'medium' and 'High' intensity information, diagnostic and brokerage support Number of Businesses referred to a finance and/or funding programme (Combined figure for 'Medium' and 'High' intensity interventions only.	2018/19 4,475 individuals	2% increase	N/a	4,565 individuals
	2018/19 357 businesses	2% increase	N/a	364 businesses
	2018/19 178 businesses referred	2% increase	N/a	182 businesses
Careers and Enterprise Company - Schools and Colleges Engaged with the programme	57	3	0	3
CEC Enterprise Coordinators	3	0.5	0	3.5
Increase attendance at the Apprenticeship and Skills Show:				
Delegates	3,700	100	100	200
Schools and Colleges	35	3	3	6
Businesses	65	5	5	10

<u>Telford Land Deal</u>				
Housing Units Completed	264	285	372	657
Commercial Floorspace Completed	48,543m ²	12,530m ²	45,065m ²	57,595m ²
Jobs accommodated / created	1049	650	296	946
<u>Hereford Enterprise Zone</u>				
Land area sold (acres)	43.9	14	N/a	14
Workspace area developed/ committed to development	45,800	13,000	N/a	13,000
New businesses moved an operating on site	38	15	N/a	15

5.0 Local Growth Fund

5.1 Overview

The Marches LEP is entering its fifth year of its Local Growth Fund (LGF) Programme.

The programme has been successful in developing a number of key infrastructure projects into the area, helping to bring economic growth into the Marches. During the 2019/20 period the main elements of delivery will be focused on our Growth Deal 3 projects (NMiTE, Flaxmill, Hereford Cyber Security and Newport Innovation and Enterprise Park).

5.2 Projects

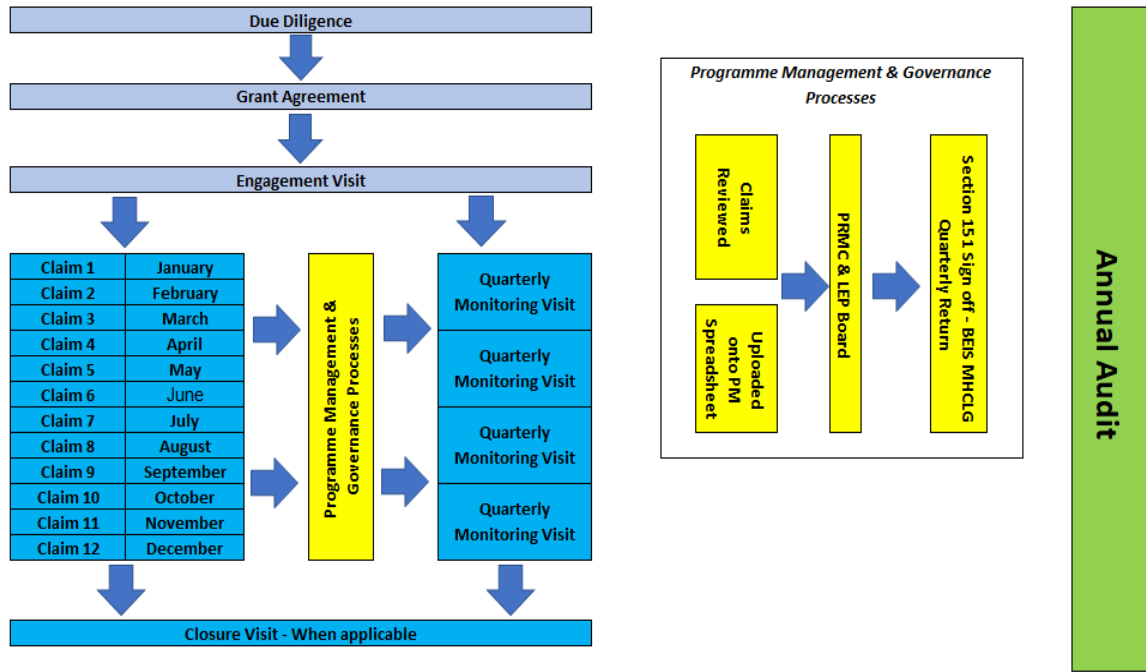
The following projects have been contracted and will be delivering through the 2019/20 period.

Project Name		2019 - 2020 Profile	TOTAL
	South Wye Package	-£ 1,697,609.00	£ -
Infrastructure			
1	Telford Growth Package	£ -	£ 13,900,000.00
1	Hereford City Centre Transport Package	£ -	£ 16,000,000.00
1	Telford Eastern Gateway	-£ 339,846.00	£ 3,600,000.00
1	Telford Bus Station	£ -	£ 1,300,000.00
1	SITP	-£ 750,284.00	£ 6,000,000.00
1	OLR	£ 766,613.40	£ 4,200,000.00
Skills Capital			
1	GD 1 skills project	£ -	£ 3,245,498.00
Broadband			
2	Connecting Shropshire	£ 1,026,262.00	£ 5,022,000.00
2	Superfast Telford	£ -	£ 1,004,000.00
2	Fastershire	£ -	£ 1,673,988.73
Skills - Investing In Our Future Workforce			
3	Marches Skills Capital - Shrewsbury Colleges Group	£ -	£ 209,079.00
3	Marches Skills Capital - North Shropshire College	£ -	£ 423,833.00
3	Marches Skills Capital – Telford College	£ -	£ 520,326.00
3	Marches Skills Capital – Derwen College	£ -	£ 313,500.74
3	Marches Skills Capital – Herefordshire and Ludlow College	£ -	£ 1,059,905.00
3	Skills Unallocated Pot	£ -	£ 270,032.83
Growth Deal 3			
3	NMiTE	£ 2,340,000.00	£ 8,000,000.00
3	Flaxmill	£ 499,200.00	£ 1,920,000.00
3	Hereford Centre for Cyber Security	£ 417,715.93	£ 2,820,000.00
3	Newport Innovation & Enterprise Park	£ 3,816,769.00	£ 6,364,000.00
3	Growth Deal 3 Unallocated Pot	£ 0.00	£ 41,541.70
Total		£ 6,078,821.33	£ 77,887,505.00

5.3 Monitoring and Evaluation

The Marches has a Performance Management Framework, ensuring we work with our projects in ensuring they are compliant with the conditions of Grant, whilst also identifying any risks, enabling us to work with our Project Promotors to find solutions.

This process is outlined below:



In terms of evaluation during this year the Marches LEP will commission an independent appraisal of projects to provide an objective understanding of progress, as well as lessons learnt for future funding opportunities.

5.4 Outputs Expected to be Delivered in 2019/20

Outputs	Actual achieved to date	Forecast in 2019-20	Current Forecast 2020-21	Current Forecast 2021-25	Total Forecast
Jobs created / safeguarded	2,430	1,357	1,326	8,237	13,350
Housing Units Completed	1,697	1,981	1,277	4,025	8,980
Length of newly built road (km)	0	0	4	0	5
Additional Employment Land (ha)	34	12	8	12	66
Commercial Floor Space (sqm)	0	7,700	11,900	42,000	61,600
Students Enrolled	0	50	100	120	270
GVA (£)	0	0	£12,120,000	£50,294,904	£62,414,904.00
Homes with access to new/improved fibre optic provision	61,151	2,431	857		64,439
Apprenticeships	259	891	1,026	TBC	2,176
Local Authority/Public Sector Match (£)	£12,576,807.00	£40,704,441.16	£2,820,522.21	£8,783,000.00	£64,884,770.37
Private Sector Match (£)	£0.00	£4,633,350.00	£15,317,461.00	£0.00	£19,950,811.00

5.5 Project Pipeline and Development Funding Pot

The Marches LEP is committed to ensuring that we as a region continue to develop a strong pipeline of projects, helping to achieve economic growth. This will enable the Marches LEP to react to any project underspend across its Programmes, whilst also anticipating future opportunities, including the UK Shared Prosperity Fund.

To help develop this piece of work the LEP has committed up to £300k of funds to support project development activity that meets one or more of the priorities within the:

- Marches European Structural and Investment (ESIF) Strategy
- The Marches LEP's Strategic Economic Plan
- Marches Freight Strategy
- Marches Energy Strategy

Currently 14 projects have been awarded funds from the development pot, helping to support project development and feasibility, whilst also bringing forward projects for future European Regional Development Fund calls.

6.0 Strategic Activity

6.1 Partnership Development

The Marches LEP will continue to work with other LEPs and across a wider geography to deliver its strategic economic plan, develop its Local Industrial Strategy and generate economic growth.

The Marches LEP recognises the value of its vicinity to and relationship with the West Midlands, e.g. the M54/A5 East growth corridor which provides opportunities to support employment-led growth of regional significance. We will continue to work with partners, including our neighbouring Black Country local authorities and the West Midlands Combined Authority as an observer on the WMCA Board, to maximise the economic potential of this and our important role in the West Midlands supply chain. We will seek to make the most of our membership of the Midlands Engine and Midlands Connect through continued strategic engagement.

The Marches LEP is part of the Cyber Resilience Alliance along with our partners Worcestershire LEP, GFirst LEP and Swindon & Wiltshire LEP. The Science and Innovation Audit carried out in 2018 has set out the scale of the opportunity for this sector - this will be considered as a priority within our LIS as there are opportunities for us to inform our skills provision, use of assets and delivery of business support services to support this growth sector.

We are partners with Cheshire & Warrington LEP, Stoke & Staffordshire LEP, and Worcestershire LEP in the Agri-Tech West Alliance (ATWA), driving supply chains in rural economies and developing an inter-LEP approach to growing the agri-tech sector. As part of our LIS development we will review the ATWA relationship and identify new opportunities to grow the partnership to meet the needs of businesses in the agri-food and agri-tech sectors.

Our engagement with Welsh partners will continue in 2019/20. The Growing Mid Wales partnership's new report into Strategic Economic Priorities for the Mid Wales Region and the emerging Growth Deal for Mid Wales will inform programme development and a Growth Deal bid in 2019. It is anticipated that this will include transport projects to implement the joint Freight Strategy that was launched in 2018, a market town support programme and consideration of opportunities to deliver on the post 16 and higher-level skills agenda. We will look for opportunities to support and collaborate with Welsh partners on these areas of shared interest.

6.2 Business and Community Consultation

Throughout 2019/20, the Marches LEP will continue to engage with its business base and our wider communities. The development of the LIS (see section 2.3) will be underpinned through ongoing consultation with businesses and cluster groups to consider opportunities for inclusive growth and to refine our priority actions.

In addition, consultation events will be held in Autumn 2019 to consolidate our LIS consultation programme and to launch our Annual Report. The three business boards, FSB, Chambers of Commerce, NFU and other membership organisations

will be key stakeholders in supporting this event. It will outline the role of the Marches LEP as an influencer, highlight the economic challenges and opportunities of our area and will focus on the achievements of the LEP and partners in driving growth.

The Marches LEP has committed to continue funding secretariat support for the three business boards in 2019/20. Although separate to the LEP's governance structure, the business boards provide a valuable connection to our wider business communities.

Liaison with the area's MPs will continue. An event at the House of Commons was held on 8 May 2019 to highlight the LEP's transport priorities and to formally launch the SEP with MPs, senior civil servants and Welsh Government officials.

Regular meetings with Shropshire and Telford & Wrekin MPs will continue through the current structure which is supported by Shropshire Council, and opportunities to meet with Herefordshire MPs will be sought to highlight LEP investment across the county.

6.3 Marketing and Communications

The Marches LEP has engaged external marketing, communications and PR support through Be Bold Media Ltd following an external procurement exercise in 2018. This enables a co-ordinated approach to communications across the Marches LEP, Marches Growth Hub and Hereford Enterprise Zone.

Be Bold Media Ltd will produce an updated communications plan for 2019/20 by the end of May 2019. This will continue to build and consolidate the local, national and international profile of the Marches LEP area and its priorities as outlined in the SEP and this delivery plan. As well as ongoing updating of the website and an increasing social media presence, the Marches LEP produces a 6-weekly newsletter. These communication channels will enable the promotion of key messages in 2019/20, including:

- The recruitment of the new Marches LEP Chair;
- Liaison with government and senior officials through the House of Commons event, SEP launch and LEP Network activities;
- Annual Report launch in September 2019;
- LIS consultation event in Autumn 2019;
- The Energy Strategy launch in Autumn 2019.