

<b>Meeting date:</b>	19 September 2023					
<b>Agenda Item:</b>	3					
<b>Item Subject:</b>	Marches LEP Chair and Chief Executive Officer's Report					
<b>For:</b>	<b>Discussion</b>	<b>X</b>	<b>Decision</b>		<b>Information</b>	<b>X</b>

**Purpose of the Paper:** To provide Board Members with a brief overview of LEP's activities not reported elsewhere.

**Summary of Recommendations:** That Board Members note the content of the Report.

### 1. Executive Summary

The LEP has continued with business as usual, delivering against its contracts while continuing to develop strategic work.

The Strategic Transport work has completed with input from all three Marches as well as neighbouring Welsh Authorities. This has been circulated to all 6 MPs who attended the rural transport roundtable chaired by Helen Morgan MP in London on the 5<sup>th</sup> September. The business case fund is due to open imminently.

The Strategic Land use study is being finalised and will be launched at a joint LEP and Forestry Commission event on the 28<sup>th</sup> September, chaired by Philip Dunne MP. The LEP's land innovation fund will also be launched at the event.

The new Careers and Enterprise Company contract has now been signed and work has continued, building on all the progress made in the last academic year in improving performance against the Gatsby Benchmarks. The Careers Hub has provided a Local Labour platform which has been used by over 4100 students.

The capital programmes continue to be managed out with the focus continuing to be on output achievement. There are significant outputs especially on match funding that need to be achieved on a number of programmes and it's important the project leads continue to be held to account.

The energy projects are progressing well with the Marches Energy Grant Scheme approving the first tranche of grants worth a total of £116k towards projects with a combined value of £427k.

The accounts and audit have completed confirming independently that the LEP is still solvent and a going concern and able to trade next year if there is agreement to while other sources of income are pursued. We have sought legal advice on the ownership of the funds currently held by the LEP and this will be discussed in part B of the Board meeting.

Building on the meetings the LEP has been having since April, a transition group has been formed which the LAs have been invited to. We hope to be able to start to work together on the orderly transfer of LEP functions, following confirmation from the Councils that they intend to form a joint committee covering the Marches.

### Staffing and resources

The Marches LEP team is continuing to concentrate on the delivery of all contracted programmes and projects.

Discussions with local authority partners around how best to implement the new Marches Careers Hub funding (covering 1 September 2023 – 31 August 2024) have resulted in a revised delivery structure. This removes the need for the Marches LEP match funded post and a consultation with the staff member affected is underway.

Jo Grivell (Marches LEP Administrator) has secured a new (permanent) position and will be leaving the team on the 22<sup>nd</sup> September. Many thanks to Jo for all of the support she has given to the LEP team, in particular her work with the Performance Risk and Monitoring Committee (PRMC), Transport Officers' Group (TOG) and the Marches Growth Hub. We wish her all the best for the future. To fill this post, a temp has been recruited through a local agency and Mandy Powney joined the team on 11<sup>th</sup> September. It is likely that the continued uncertainty about the future of the LEP will continue to impact staff retention.

Following a procurement exercise, we expect to appoint a Marches LEP dedicated legal adviser. This additional independent resource will ensure that the Marches LEP is compliant with Government transition guidance and will help to effectively manage exposure to risk for Board members and other partners. It is also expected that they will use their experience from LEPs elsewhere in the country, helping to save money and minimising the legal costs of transition.

### **Strategic activity**

Rachel Laver attended the Parliamentary round table on rural transport connectivity on Tuesday 5 September 2023 with partners from the Department for Transport, Network Rail and National Highways. This was a positive meeting which clearly demonstrated the benefits of collaboration, reinforcing the importance of the work that TOG has been doing to prioritise strategically important transport schemes across the Marches.

The LEP-funded Land Use Study, being completed in partnership with the Marches Nature Partnership, is nearing completion and registrations for the launch event on 28 September 2023 to be held at Harper Adams University are looking positive with 44 people already registered. The invite to the event is extended to all Board members should they be interested.

We have also been looking at a number of other strategic work areas including Bio-diversity net gain credits, retrofit work and the apprenticeship levy. An update on these work areas will be given at a future meeting.

Local Area Energy Plan – Work on this continues to progress and is expected to complete by October and will be of benefit to the LAs.

## **2. Finance**

Audited accounts demonstrate that the LEP is still a going concern. We have reserves that are sufficient enough to carry on trading next year if agreed. We also continue to have a ringfenced budget of £450k to meet all costs which could be associated with the closure of the LEP, including legal fees, directors' insurance, pension strain and redundancy costs.

Cash flow remains in line with the approved budget for the year. As at the end of August we held £6.5m in cash across the different funds. The Growth Hub continues to be cash flowed by the LEP, but grant funding received is expected to catch up with spend this month. A copy of the cashflow is included at Appendix 1.

## **3. Programmes**

### 3.1. Local Growth Fund and Getting Building Fund

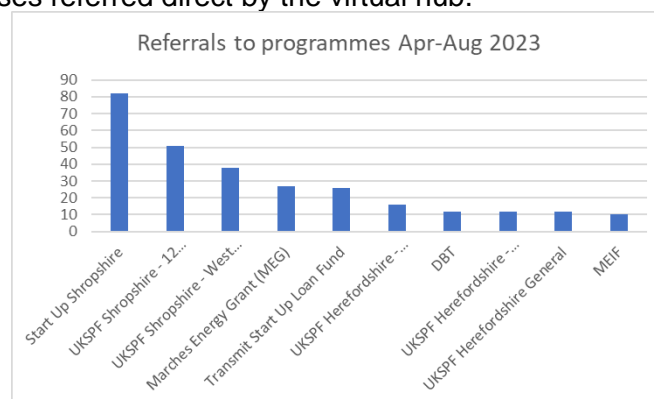
Both programmes continue to be monitored with the focus on ensuring the contracted outputs and outcomes are achieved. The Herefordshire shop front programme has been extended so there is a delay with achieving the outputs associated with this. The concerns with Oxon Link Road have been widely reported and we continue to monitor Pride Hill and Station Quarter both significant schemes with significant outputs to achieve. A reminder will be to all projects that the deadline for Q1 & Q2 reporting is the 13th of October at the end of September, this will highlight the need for the clear reporting of match and that the LEP will be meeting with all the projects between October and December to discuss the timescales for completing outputs and match spend.

### 3.2. Marches Growth Hub

The new look Marches Growth Hub website has been launched; the design will improve user experience and continue to signpost businesses to the differing local and national support programmes. The local growth hub teams are focussed on delivery of their local programmes which has meant that business support across the region does differ quite significantly.

In the year to date the Growth hub has supported 2,888 businesses.

- 68 Growth Hub organised events including themed series of events, practical workshops and advice and networking events in market towns in Shropshire. The central team have taken a greater role this year in delivering an event programme, with Access to Finance events run in collaboration with the British Business Bank, Innovation events in collaboration with Innovate UK and a Procurement event in collaboration with Shropshire, Telford & Wrekin and NHS Procurement Officers. The events have been attended by 1,273 individuals from 1,254 businesses.
- Growth Hubs have referred businesses to 54 different providers or programmes. The gaps in grants and funded business support created by the closure of ERDF programmes are starting to be filled as UK Shared Prosperity Funds come into delivery and are promoted on the MGH website. The top 10 referrals shown below illustrate the level of demand for funded support (UKSPF programmes), support with energy costs (Marches Energy Grants), help with international trade (DBT) and access to finance (MEIF). The MEG referrals do not include businesses referred direct by the virtual hub.



- Over 100 support programmes, self-help tools, guides and funding competitions have been promoted on the MGH website since 1 April 2023. Over 220 events run by the Growth Hubs and partners have been promoted on the MGH events calendar so far this year, all free to attend.

- In response to issues with recruitment and skills, and energy costs, the Marches Growth Hub website has been developed to bring together employment and net zero information to make it easier for businesses to navigate and find relevant support. A refresh of the MGH website is currently being undertaken by the web developer.
- BeBold continue to promote the Marches Growth Hub as the front door to business support through the Here to Help campaign, social media and newsletters, driving traffic to the website. There have been over 15,000 visitors to the MGH website April-August, including over 9,000 new visitors.

### **3.3. Energy Projects**

After significant delays the grant for the Marches Energy Grant scheme have started to be approved. There is strong demand from businesses which Worcestershire Council has had difficulty dealing with due to the long delays in signing the contracts. However, they are procuring extra assessors which should see applications turned around much more quickly.

The Low Carbon Technology Centre in Herefordshire is progressing well with the planning application now submitted and the centre expected to be complete by next summer.

The EA technology and National Grid project to install monitors at key sub stations is also progressing well with all monitors now installed and data starting to be gathered to analyse use and any free capacity.

### **3.4. DBT Key Account Management (KAM) Programme**

Our contracted delivery partner continues to move the programme forward, under LEP direction, and build upon last year's success. 34 foreign-owned business are currently being account managed across the Marches under the auspices of the programme in collaboration with local authority economic development teams, with 10 inward investment projects being supported at present. A recent review with the DBT programme management team endorsed the effectiveness of the revised delivery model introduced last FY, and confirmed their satisfaction with progress to date which remains on track to meet this year's targets.

## **4. Skills and Labour Market Support**

### **4.1. Marches Careers Hub**

The Marches Careers hub team had a successful year supporting schools and colleges in providing young people with meaningful careers education and encounters to support them in identifying and transitioning to their next best step. Relationships with the local authorities continue to go from strength to strength.

The careers hub provided over 150 1:1 support meetings with careers leads to provide them with support and resources to further develop their careers programmes to meet the needs of young people and statutory requirements. The success of the work provided by the team has resulted in an increase in the Marches Gatsby Benchmarks figures.

Across the academic year the Careers Hub hosted a range of labour market broadcasts, highlighting key sectors to inspire and inform young people of the great opportunities available locally. These broadcasts were well received and had in excess of 31,000 live views with the content still available for young people to access on demand.

In addition to this the Careers Hub provided a local labour platform to provide access to key information on key sectors and career opportunities available locally. This platform is actively used by 4,410 students with an increase expected in the new academic year.

In addition to this the hub has seen more than 2,500 students across the Marches complete the Future Skills Questionnaire which will enable the hub to identify the impact of current careers education and areas where the knowledge and skills of young people need enhancing.

The careers hubs employer network remains strong with 53 Enterprise Adviser network, actively supporting schools and colleges to implement employer informed careers education. Wrekin Housing Group have stepped into the position of chair of the Cornerstone Employer Group, which now includes:

- Aico
- Sequani
- Wrekin Housing Group
- Capgemini
- SATH
- Muller

**Financial implications:** None

**Legal implications:** None

**Risks, opportunities and impacts:** None

**Equality implications:** None

**Additional information/ attachments:**

[Appendix 1 – Marches LEP Cashflow Forecast August 23](#)

**Background papers/documents:** None

**Report Authors:**

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Rachel Laver, Marches LEP CEO

## Appendix A- Cashflow for August- March 24

### Quarterly Detail

	August	September	October	November	December	January 2024	February 2024	March 2024
Areas	£	£	£	£	£	£	£	£
Core	956,803	951,192	870,668	795,664	736,250	654,353	611,574	89,699
Growth Hub	-58,049	47,291	87,381	62,221	37,060	77,150	51,990	5,779
Skills	38,027	54,342	42,058	29,774	46,983	34,700	66,655	54,371
GBF/LGF	114,575	114,575	114,575	114,575	114,575	114,575	114,575	-69
Land Deal	912,689	912,689	912,689	912,689	909,534	909,534	909,534	909,534
MIF revenue Grant	7,872	7,872	7,872	7,872	7,872	0	0	0
MIF Capital Grant	4,128,593	4,108,593	2,965,593	2,965,593	2,965,593	1,822,593	1,822,593	1,622,593
Closure costs	425,000	425,000	425,000	425,000	425,000	425,000	425,000	425,000
	6,525,510	6,621,553	5,425,836	5,313,388	5,242,867	4,037,904	4,001,921	3,106,907