

BOARD AGENDA AND BOARD PAPERS

DATE AND TIME: 20 May 2013, 15:00

VENUE: Alconbury Enterprise Zone, Urban&Civic Limited, 137 North Gate, Alconbury Airfield, Huntingdon, PE28 4WX

Item	Brief description	Time allocated	Access/circulation prior to board meeting
1. Minutes from previous board meeting		15:00 5 mins	Board Corporate Members
2. Update on progress by business area	i) Operational plan ii) Recruitment/HR and operational roles/services iii) EZ iv) Skills v) International review (Neil Darwin) vi) Local Transport Board vii) Other updates relating to subgroups	15:05 1 hour	Board Corporate Members
3. Growing Places Fund (CONFIDENTIAL)		16:05 15 mins	Board
4. Local Growth Strategies, Single Pot, and European Funding	i) Heseltine and the implications for the LEP (Grahame Nix) ii) Initial plans to develop our strategic plan (Presentation) iii) Bidding for European Funding iv) Bidding for Single Pot	16:20 50 mins	Board Corporate Members
5. Changes to company articles and terms of corporate membership	Update and copy of proposed changes to company articles and terms of corporate membership as discussed and agreed at board meeting on 15 January	17:10 10 mins	Board Corporate Members
6. Items for information	6A: best practice in other LEPs 6B: An update on a meeting with the London Stansted Corridor Consortium (Grahame Nix) - VERBAL	17:20 5 mins	Board Corporate Members
7. AOB	i. Changing EU Investment – Cambridgeshire’s Rural Areas (Cambridgeshire ACRE) - VERBAL	17:25 15 mins	Board Corporate Members
8. Close		17:30	

DATE OF NEXT BOARD MEETING: 9TH JULY 2013

LEP BOARD MEETING

Minutes from the meeting held on

12th March 2013 from 15.00 to 17.35

at Alconbury Enterprise Zone

Board Members Present

Grahame Nix (GN)	Chairman
Mark Reeve (MR)	
John Bridge (JB)	
Dr Lynn Morgan (LM)	
Cllr Jason Ablewhite (JA)	
Cllr Tim Bick (TB)	
Trevor Ellis (TE)	
Dr Robert Swann (RS)	
Cllr Marco Cereste (MC)	
Prof Mike Thorne PhD (MT)	
Prof Sir Richard Friend FRS FREng (RF)	
Cllr Terry King (TK)	
Cllr Nick Clarke (NC)	

Apologies

Allan Arnott (AA)

Also in attendance

Alex Plant (AP)	Board Advisor
Neil Darwin (ND)	Board Advisor
Glenn Athey (GA)	Interim Executive Director
Laura Welham-Halstead (LWH)	Communications and Engagement Lead
Mark Cooper (MCo)	Skills and Business Growth Lead
Jan Pinkerton	BIS Local
James Baddeley	Big Society Funding CIC (Item 5 only)

Pre-meeting – Alconbury Enterprise Zone

In advance of the main Board meeting, members of the Board were invited to attend a briefing to find out more about the latest news relating to the Alconbury Enterprise Zone.

Tim Leathes from Urban&Civic, Helen Donnellan from Huntingdonshire District Council (HDC) and Malcolm Sharp (HDC) provided the update.

The overview included news that the new gatehouse and access road have now opened. Planning permission has been granted for the Incubator Centre, and marketing of the entire site is progressing well. To date 110 jobs have been created within the Enterprise Zone.

Partners will be putting in a bid for the Enterprise Zone Infrastructure Fund, and also working on a project plan and marketing strategy, as requested by CLG.

1. Item 1 – Welcome & Minutes from the last meeting

Apologies were noted from AA.

The minutes from 15th January 2013 Board meeting were agreed with no amendments.

The action point regarding GA providing a briefing note on the Heseltine Review was to be removed until post-Budget. LWH to remove action point. LWH

GA also clarified that any costs relating to current amendments to the Mem & Arts have been covered within an existing financial agreement with the lawyers.

2. Item 2 – Operational Plan

GA provided the Board with a brief presentation regarding the updated Operational Plan, based on feedback received via the 2012 consultation and two subsequent Board away days.

The Board then discussed the proposed Operational Plan in detail, including reviewing the various contributions being proposed by Local Authorities in cash and in kind to provide the £250,000 match funding required to draw down core Government funding.

MC requested that financial contributions from Peterborough City Council and Opportunity Peterborough were brought together as one line. GA to amend. GA

MC also noted that further consideration also needed to be given to the future of European Funding and the LEPs role within this. It was agreed that MC would be the Board Lead on this subject area. MC

The Board then moved on to discuss the proposed Programme funding amounts, and agreed to a motion put forward by MR that we have a guiding principle of maximising returns on investment with a ratio of 3:1 (loan to grant) agreed by the Board. GA to take this feedback away and amend the proposed Programme Funding amounts as required. GA

GA then discussed the issue of interest rates for such loans with the Board. He has received professional advice that the LEP could charge more interest on loans to private companies and commercial interests than it currently does. It was noted that the market failure in business finance tended to be the availability of loan finance rather than the cost. It was agreed that we should review our interest charges and seek to charge around 7% (as GA

per the Cambridge and County Bank).

The proposed team structure was then discussed. It was noted that Huntingdonshire District Council has offered to put Helen Donnellan forward as Enterprise Zone lead, managing Ben Hooson (who is part funded by the LEP).

ND has also stepped forward to lead on International Development issues, alongside Claire Ruskin from the Cambridge Network and Tom Hennessey from Cambridgeshire County Council, for six months to pull together a plan of action.

GN will be contacting other Board Members to discuss their potential Lead roles in the near future.

GN

In summary, there was general support from the Board for the Operational Plan – with some general caveats made. Once these amendments to the Plan are made by GA, the LEP can start to recruit a team as required.

GA

The Board also agreed an investment programme of £7.4 million for the next two years.

3. Item 3 – Skills

MCo introduced the Skills paper, providing background to the Board as to how the paper had been developed by a business-led group (SSG).

MCo noted that there were three key areas his proposal was trying to tackle:

1. A lack of economic awareness by students
2. That skills funding was aligned to students desires not business needs
3. That a large proportion of businesses do not have a training plan or budget

After a brief presentation from MCo, the Board discussed the paper and the challenges of trying to tackle skills issues. It was agreed that the LEP should challenge the business as normal approach, and look at new ways to tackle these issues.

The Board approved the decision requests under items 3.1.3-5 for the roll out of two pilot Skills Brokerage Team projects, as outlined in MCo's paper and stated associated documents . The Board would prefer to see these teams rolled out in areas of greatest need.

The Board were also keen to look at initiatives to support businesses that wish to move to the area, but are held back by skills issues.

MCo

MCo to now action projects.

4. Item 4 – A14

NC introduced the paper, which requested a commitment to provide £50 million, in principle, towards the upgrading of the A14.

Partners, led by CCC, are working together to create a £100 to £150 million funding pot to put to Government to demonstrate their commitment to the project.

The Board discussed the paper, and issues relating to the A14, such as the developments that are being held back by the A14 and the cost to the economy as a whole.

It was noted that improving the A14 was the top priority for most businesses when asked what the biggest barrier to economic growth within our LEP area was.

The Board agreed to commit £50 million in principle towards the upgrade of the A14, with no more than 30-50% of Enterprise Zone revenues being used to fund the project in any one year. They also requested that opportunities to pay back the money in the longer-term were considered.

AP and MC then left the meeting at 17.05.

5. Item 5 – VSE Challenge Fund

LM and James Baddeley introduced the paper.

JB declared an interest in the item as Trustee of the Cambridgeshire Community Foundation (who would run the administrative side of the VSE Challenge Fund).

The Board discussed the proposal, and agreed that it would help to meet a number of priorities for the LEP. They were keen to see successful projects supported to become sustainable in the longer-term wherever possible.

The Board therefore approved the proposal to create a three year Challenge Fund programme as per the paper.

JA left the meeting at 17.22.

6. Item 6 – Growing Places Funding

GA provided a verbal update to the Board.

All projects have now signed their funding agreements, but given the timings of some arrangements coming forward later than first anticipated the LEP is in a position to launch a second call for projects to fund.

The Board agreed that the majority of the projects should be loan funded, rather than grant, and approved a second round funding call.

7. Item 7 – AOB

1. Regional Growth Funds – GA is working with partners on two potential bids. One relating to Growth Hubs and the other relating to Agritech. Bids need to be submitted by 20th March.
2. Local Transport Board (LTB) – The LEP will be sitting on the LTB. The Board agreed that the LEP executive had the freedom to identify the most financial beneficial way of contributing towards the LTB.
3. Board Members expenses – After some discussion, Board Members agreed that

expenses could be paid to Board Members for travel costs associated with attending events on behalf of the LEP, but not to cover time or general LEP Board meeting travel.

4. Sub-groups – GN noted that he had written to all sub-group Chairs asking for their input into the LEP strategy and engagement.
5. Interactive map – RS asked for an update to be brought to the next Board meeting. LWH to add it to the next agenda. LWH
6. Base closures – TK requested this was added as a future agenda item. LWH to add it to a future agenda. LWH

The meeting then closed at 5.34pm.

SUMMARY OF AGREED ACTIONS AND PROGRESS TO DATE

Agenda item no.	Action	LEAD	ACTIONED Y/N? / STATUS
1	(minutes from 15 January 2013 board meeting) The action point regarding GA providing a briefing note on the Heseltine Review was to be removed until post-Budget. LWH to remove action point.	LWH	Y
2	(Operational Plan)		
	MC requested that financial contributions from Peterborough City Council and Opportunity Peterborough were brought together as one line. GA to amend	GA	Y
	MC also noted that further consideration also needed to be given to the future of European Funding and the LEPs role within this. It was agreed that MC would be the Board Lead on this subject area.	MC	Y
	The Board then moved on to discuss the proposed Programme funding amounts, and agreed to a motion put forward by MR that we have a guiding principle of maximising returns on investment with a ratio of 3:1 (loan to grant) agreed by the Board. GA to take this feedback away and amend the proposed Programme Funding amounts as required.	GA	Y
	It was agreed that we should review our interest charges and seek to charge around 7% (as per the Cambridge and County Bank).	GA	Y
	GN will be contacting other Board Members to discuss their	GN	Y – in progress

potential Lead roles in the near future.

In summary, there was general support from the Board for the Operational Plan – with some general caveats made. Once these amendments to the Plan are made by GA, the LEP can start to recruit a team as required.

GA

Y – all requested amendments made

3

(skills)

MCo

Y – in progress

MCo to now action projects.

&

(AOB)

Interactive map – RS asked for an update to be brought to the next Board meeting. LWH to add it to the next agenda.

N - scheduling into board forward look

Base closures – TK requested this was added as a future agenda item. LWH to add it to a future agenda.

N – scheduling into board forward look

ITEM 2: PROGRESS IN CORE BUSINESS AREAS

FOR INFORMATION

1. Board members are asked to note the progress in the following areas of core business and to raise any queries or points of clarification at the board meeting

OPERATIONAL PLAN

1. The Operational Plan has now been finalised and is live. A copy of the final document is provided separately as Item 2: Appendix A
2. Several amendments have been made since the last board meeting on 12 March:
 - Income adjusted upward to reflect fact that HMT funding of £250,000 in two consecutive years 2013/14 and 2014/15 (totalling £500,000). All this income has been allocated to supporting the development of the European Funding Strategy and the Local Growth Strategy.
 - Section added on how we arrived at the priorities “Our strategy for meeting goals and priorities”
 - Chairs remuneration as separate line in expenditure forecasts

RECRUITMENT / HR AND OPERATIONAL ROLES/SERVICES

3. In the past two months, recruitment for 4 posts has gone live, and 2 posts have been recruited to:
 - Programme Manager: Michael Barnes, started in-post on 22 April
 - PA/Administrator: Michelle Crosse, started in-post on 29 April
 - Vacant Chief Executive and Director of Planning and Strategy roles: applications deadline on 17 May
4. All staff positions have been offered as a permanent contract. It made more sense to do this to attract the best applicants, and made no real difference in legal terms from offering a time-limited contract (which accrue employment rights in the same way as a permanent contract would). Advertising the first post (programme manager) as a fixed term one-year post actively discouraged some applicants from attending the job interview.
5. Retained contracted services: it is proposed that the following contracted services are retained:
 - Communications, PR and engagement: current contract with Propono PR (Laura Halstead) expires on 31 July 2013. Proposed to offer new contract from 01 August 2013 to 31 July 2014.
 - Skills project development and delivery: current contract with Jamcoops Limited (Mark Cooper) expires on 31 July 2013. Proposed to offer new contract from 01 August 2013 to 31 January 2014 to focus on establishing and delivering Local Skills Team pilots.

COMMUNICATIONS AND ENGAGEMENT

6. Over the past two months, a wide range of communications and engagement activities have been undertaken, including:
 - Promotion of A14 funding announcement
 - LEP Prize Challenge Fund pre-announcement
 - Distribution of the May edition of the LEP e-newsletter
 - Promotion of two rounds of recruitment
 - Stakeholder engagement work, including creating links with AstraZeneca following the announcement of the relocation of their European HQ, continued dialogue with Chambers of Commerce, FSB and ICAEW
 - Exhibiting at the Huntingdonshire Business Fair

- Creating marketing materials for the new Grants4Growth scheme
 - Organising and hosting a visit to Alconbury Enterprise Zone for BBC Look East to film a Budget related feature
 - Helping to promote a wide variety of business related events, including the first Make it Here event, the UKTI Turkey Event and Huntingdonshire District Council's business resilience breakfast event
 - Continuing to run our on-going social media activities
7. These activities resulted in the LEP:
- Making direct contact with a number of local businesses, MP, Councillors and business representative organisations via the Huntingdonshire Business Fair
 - Achieving coverage online, in print, on air and on TV, including significant features on BBC Radio Cambridgeshire and BBC Look East
 - Continued social media engagement via Twitter and LinkedIn
 - Creation of new marketing materials for the LEP, including leaflets, branded folders (of LEP Prize Challenge Fund), business cards, letterhead and comps slips
8. Forward look - over the coming weeks, our communications and engagement activity will be focused on the following projects:
- The launch of the LEP Prize Challenge Fund
 - The announcement of the LEP Local Skills Teams
 - Drafting, designing and issuing an Executive Summary of the LEP Operations Plan
 - Creating a communications and engagement strategy to support the Operations Plan
 - Working with Urban&Civic and Huntingdonshire District Council to draft, finalise and submit the marketing and PR plan for Alconbury Enterprise Zone

ENTERPRISE ZONE

9. This update will be provided after the Enterprise Zone Steering Group meeting on 14 May.

SKILLS

10. The LEP Skills Strategy focuses on three interconnected areas in order to drive business demand led skills provision. First, improving the economic awareness of our young people; second, increasing the number of businesses that plan and budget for training. The third area is the sum of the balanced equation of young people being aware of local businesses, sectors, the roles within them, and businesses becoming more focused on skills and training: better aligned publically funded training.

Update on Key Focus Areas in 2013/2014 Operational Plan

11. Local Skills Teams Project

- Showing steady progress since the last board meeting.
- Still in planning stage but probable target dates (subject to detailed planning) for implementation are:
 - Pilot 1: September 2013
 - Pilot 2: January 2014
- Pilot areas will be based on demographic data from NOMIS and targeted to areas of greatest need:
 - Areas will be debated and formally proposed by the Skills Strategy Group on 17 May

- King's Lynn and Fenland have expressed a strong interest (including offers of in-kind support) in Pilot 1. This looks good on paper based around the A47 corridor as an economic geography

Detailed planning complete by mid-July	Recruitment for Pilot 1 commencing late July	Start date to coincide with the start of the school/FE year
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12. Enterprise Zone Skills Plan and Projects

- Final action plan accepted by BIS; has been circulated to the EZ Steering Group and the LEP Board.
- Currently working through governance and detailed actions plus appointing partner project leads to move forward.

Planning complete by late June	Project timeline and leads by end July	2013 actions in progress by September (subject to planning)
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13. LEP Wide Skills Survey

- Will build on the successful approach of the EZ Skills Project; a combination of survey and small workshops.

Secure budget; tender Brief ready by first week of June	Contract awarded by first week of July	Completion by early September
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14. Skills Strategy Group Remit: See sub-groups board paper

15. Other Items of Interest

- Engagement continues on the three areas of the LEP Skills Strategy:
- Cambridge Area Partnership (secondary schools plus sixth form colleges in and around Cambridge plus CRC) continuing to focus on business/schools engagement. LEP plays a key part and holds a seat on the Steering Group.
- Greater Cambridge City Deal skills element focused on LEP core strategy as outlined in the opening paragraph. Good partnership work between the LEP and CCC.
- National Apprenticeship Service (NAS) funded Apprenticeship Strategy for GCGPEP has gone in its final draft to NAS. It is aligned to out three core strategy areas and includes an action plan. Action and target dates will be confirmed once the plan is approved and delivery partners are engaged in implementation.
- GCGPEP has been invited to become a part of the new Ofsted regional structure by being represented on a Stakeholder Group for the East of England. First meeting in late June.
- GCGPEP has been supporting a bid by Anglia Ruskin University to access funds from the HEFCE Catalyst fund in order to run their Graduate Recruitment Employability and Training Supply (GREATS) scheme. A decision is expected shortly.
- The Ely Cathedral and Ely Chambers Grow your business with people was successful including a key-note speech from GCGPEP Chair, Grahame Nix.

- Mark Cooper attended the turf cutting ceremony for the Delamore Skills Centre support by GCGPEP's Growing Places Fund attracting good local coverage. Mark was very impressed by the apprentices at Delamore and the lean manufacturing approach to the production of plants.
- The Rt Hon Matthew Hancock MP Minister for Skills visited Cambridge Regional College recently. This was attended by Grahame Nix and Mark Cooper with Mark giving an overview on the LEP Skills Strategy and the partnership would that led to it development; this was very well received by the minister. Both Grahame and Mark also pressed him on the skills elements of the Governments response to 'No Stone Left Unturned' and the single funding pot.

VSE PRIZE CHALLENGE FUND

16. On schedule for delivery against timelines presented and agreed at board meeting on 12 March 2013. A funding agreement has been agreed by all parties, and is ready for signatures. All marketing and launch materials have been prepared, as well as a delivery plan and process. Cambridgeshire Community Foundation are the delivery body and will be the recipient of the GPF grant. See VSE subgroup item for more information.

GROWING PLACES FUND

17. See separate board item 3

INTERNATIONAL REVIEW

18. Terms of Reference established for Review of international activities and development of an improvement and delivery plan:

- Aim: to implement the most effective mechanism to attract Inward Investment and International activity across the Greater Cambridge Greater Peterborough area.
- Objectives: Ensure that robust handling systems are in place across the LEP area to ensure timely and effective responses to business enquiries; develop optimal web and media presence to ensure that the LEP area and its component areas are successfully positioned for Inward Investment purposes; develop effective systems and relationships with UKTI to further position Greater Cambridge Greater Peterborough LEP as a first choice for investment and ensure a greater conversion of enquiries.
- Deliverables: to deliver a robust plan to the LEP Board by July 2013 for approval and ensuring that future delivery drives greater Inward Investment and International activity.

19. Workshops arranged for inward investment (21 May) and trade (23 May) to discuss views and work up proposals.

LOCAL TRANSPORT BOARD

20. Shadow Local Transport Board established, along with Shadow Delivery Team.

21. Confirmed that £21m available for local transport projects for 2014-2019. Expected that local funding applicants will have some matched funding

22. Initial call for proposals has been issued. These will be assessed and shortlisted by July 2013 for final selection and decision by the Local Transport Board

23. GCGPEP agreed to award £90,000 in Growing Places Funding to contribute to the one-off appraisal costs of the project applications

24. Forward meeting dates:

- Steering group meetings: 16/05, 27/06, 11/07
- Board meetings: 14/06, 17/07

SUBGROUPS - SKILLS

25. The next meeting of the Skills Strategy Group will take place on Friday 17 May at Alconbury Weald Enterprise Campus.

26. Agenda items are:

- General LEP & LEP skills update
- Update on Local Skills Teams Progress
- Deciding on pilot areas for the LST project
- Expanding the role of the group
 - Becoming more policy orientated
 - Formally separate into a core small steering team with a larger reference group
 - Setting regular meetings a year in advance
 - Formalising Terms of Reference and governance

27. The group is currently made up of thirty seven members:

- Nineteen from the business community
- Nine from training and education providers including all five colleges in our patch at Principle level, Anglia Ruskin University, two from private sector providers, and one from the Association of Colleges in the Eastern Region
- The remainder is made up of key public-sector partners

28. The group has met four times since its launch whenever there was an operational need from the LEP. The group decided that it was appropriate to put together a smaller project team to work on the strategy and Local Skills Teams project. As group they met once plus numerous individual meetings and telephone conferences to help drive the project forward.

29. It should be noted the group has proved an invaluable source during the formulation of the LEP Skills Strategy and the work around it and various members have made themselves available when needed.

30. If required, a verbal update can be given at the LEP board meeting. Full details of the meeting will be available for the July LEP board meeting.

SUBGROUPS – SCIENCE, INNOVATION AND INDUSTRY COUNCIL

31. The Science Innovation and Industry Council group last met on 15th April 2013, and listened to a presentation from the Cambridge and Peterborough Academic Health Science Network. Two members of the SIIC group have agreed to join the CPAHSN Board, and feedback relevant information in the future.

Make it Here campaign

32. Following on from earlier discussions about a campaign to strengthen and foster stronger local supply chains, Prof Sir Mike Gregory at the Institute for Manufacturing has put together a series of events which commenced on 8th May. This first event will set the scene for manufacturing in the East of England with contributions from leading manufacturers in the region, followed by discussion of emerging trends and opportunities.

33. Make it Here will involve a series of evening events with speakers and discussion sessions designed to build the manufacturing network and community, enabling participants to build new partnerships and to hear briefings on the latest national and international trends and opportunities.

Bank for Innovation – ‘the new 3i’

34. Last year, David Gill and Alex Plant (members of SIIC) put a proposal to Government (via the SIIC) for a new ‘3i’. Following on from this proposal David and/or Alex have had around six meetings with BIS representatives, which have proved very useful.

35. BIS has now unveiled its plans for the Business Bank, and their proposals include many elements from the original submission made by DG and AP to Government. This includes mid-tier risk capital (£1-5m) for innovative companies, real institutions with a physical presence, working with Angel Investors, as well as a number of other issues raised by DG and AP.

Inward Investment

36. The SIIC group gave their support to the Think Cambridge branding and strategy work. Claire Ruskin also briefed the group on current inward investment work being undertaken in and around Cambridge. At the moment 63 different groups exist; and the key will be to work with them to create a single virtual team.

37. Claire Ruskin will work with Neil Darwin from Opportunity Peterborough and Tom Hennessy from Cambridgeshire County Council to develop a strategic inward investment for the LEP area.

SUBGROUPS: VSE

Current activity

38. The Voluntary and Social Enterprise sub-group is currently focused on the launch of the LEP Prize Challenge Fund, as agreed at the last LEP Board meeting.

39. Pre-publicity has already taken place, which has attracted significant interest from the VSE community, with the official launch taking place on Monday 20th May.

Promotional activities

40. To help promote the LEP Prize Challenge Fund we will be:

- Directly distributing application packs and promotional brochures to almost 200 VSE organisations and businesses in the LEP area
- Launching a new page on our website
- Launching a promotional video
- Carrying out a PR and social media campaign
- Directly contacting interested parties
- Hosting a series of workshops, as follows:
 - Peterborough - 21st May
 - Cambridge - 6th June
 - Wisbech - 7th June
 - Kings Lynn - 12th June
 - Rutland - 12th June
 - Newmarket - TBC

Deadlines

41. The deadline for initial proposals is 31st July 2013, with shortlisting to take place in August followed by stage two proposal writing in August and September.

ITEM 3: GROWING PLACES FUND (MICHAEL BARNES)

CONFIDENTIAL

FOR REASONS OF COMMERCIAL CONFIDENTIALITY REGARDING GROWING PLACES FUND APPLICANTS AND BENEFICIARIES – THIS ITEM HAS NOT BEEN INCLUDED IN CORPORATE MEMBERS BOARD PACK

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ITEM 4: LOCAL GROWTH STRATEGIES, SINGLE POT, AND EUROPEAN FUNDING

FOR INFORMATION AND DISCUSSION

1. This board paper summarises the main points from two discussion papers provided as separate appendices:

APPENDIX 4A: The report Grahame Nix, the GCGPEP Chair circulated : GCGPEP board report: implications of lord heseltine’s report – no stone unturned – and the government’s response to it

APPENDIX 4B: A briefing on European Funding proposals and the implications for GCGPEP/ LEPs

2. This board item presents an opportunity for board members to query and seek clarifications on these issues, as well as input views and proposals.
3. There are also a number of implications to discuss for the way the LEP works, and is structured, going forward

SUMMARY: MAIN MESSAGES AND IMPLICATIONS

Background: Heseltine Review, Single Pot and Local Growth Strategies

4. The Heseltine Review was complete in October, and contained many recommendations of relevance to local economies and growth – and in particular, LEPs. The main recommendations which have received some endorsement from government propose the creation of a Single Pot growth fund for distribution via the LEPs from 2015 onwards. LEPs are to produce Local Growth Strategies as a means of negotiating Single Pot funding awards with government.
5. What was presented by the Chancellor of the Exchequer in March related to a Single Pot growth fund for housing, infrastructure and skills. Enterprise, innovation, and international are significant by their absence (and represent almost the entire DBIS portfolio).
42. Local Growth Strategies are multi-year plans that will provide investment confidence for businesses and local authorities and build on any existing plans the local area has. They will also link up with ongoing public programmes, for example existing City Deals or Enterprise Zones. The timescale of the plans is being debated and whilst the assumption is five years, there is pressure to make them longer.

Background: Role of LEPs in European Funding

43. Government has proposed a single European Funding Programme for England for 2014-20 that combines ERDF (innovation and enterprise); ESF (skills and labour market inclusion) and EAFRD (agriculture and rural development) funds.
44. Government proposes to give each LEP area an indicative allocation of European Funds, and that each LEP provides a European Funding Strategy; proposals for projects; indicative sources of match funds; assurance that funded projects will deliver their targets; and annual spend targets.
45. These arrangements will necessitate some kind of governance or partnership arrangement to design a European Funding Strategy and to manage and monitor it over the period of the funds (2014-2020).
46. There may be scope for collaborating with neighbouring LEPs and with other LEPs in England – depending on the scope of activity.

Unknowns – policy scope, levels of funding and permitted use of funds

6. Policy scope: it has been proposed that the Single Pot would be used for housing, infrastructure and skills – but there have been no formal confirmations of departmental devolution of such budgets, and enterprise, innovation and international activities notably absent.
7. At the moment, there is no indication of the levels of funding involved for both the Single Pot and European Funding – language such as “up to £75 billion” being used for the Single Pot. European funding

allocations are subject to national negotiation and what remains after ‘top slicing’ for use by national programmes. Announcements on both are expected in the June Public Spending Review.

8. There is no guidance or detail on how a Local Growth Strategy should be devised, or necessary requirements to access government funding via the “single pot”. There is no indication of forthcoming guidance.

Implications: the changing role of LEPs and local authorities

9. The government’s vision for LEPs is for them to remain high level strategic bodies, shaping priorities and leading the development of a strategic plan which guides the use of funding; and in particular bringing private sector input and influence to the table.
10. The government’s stated intentions for local authorities in these arrangements is to support the LEP, pool economic development spend and functions, manage and account for the localised funds (e.g. via Single Pot) – through binding and long-lived decision making structures such as joint leaders committees or combined authorities or similar.
47. It clearly signposts that City Deals are a preferred template – although there is much being written about the unsuitability of this model for rural and market town geographies.
48. There is encouragement for LEPs to reconsider if their boundaries are the most appropriate for developing and delivering their Strategic Growth Plan.

Timescales

11. Local Growth Strategies: draft ready in Autumn, final submission in Q1 2014
12. European Funding Strategies: draft submitted to government in September; final submission in January 2014

Conclusions and challenges

13. Local Growth Strategies and European Funding Strategies are LEP area strategies. They are not solely the LEP-strategy, but are for and on behalf of the whole area.
14. The LEP role is necessarily that of leadership (where required), facilitation, negotiation, collaboration.
15. For European Funding – the conditions and use of funds are very well known, and there is much capacity and understanding within the LEP area.
16. The government says it requires a strategy, but there are also government (Single Pot) funding bids. It is unlikely that a strategy would be sufficient to draw down funds – and more likely that some kind of funding prospectus or delivery programme (with plan, milestones, deliverables, outputs and impacts etc.) will be required, and it would need to be Green Book compliant (meets HM Treasury requirements).
17. The timescales are very ambitious. By necessity we will need to be focused and realistic.
18. The housing and infrastructure elements of Local Growth Strategies are probably best led by local authorities in collaboration – there is already significant work underway in the form of local plans, strategic housing market assessments, infrastructure strategies and the Joint Strategic Planning Unit.
19. The proposed approaches represent a significant opportunity. It is already generating interest and engagement with business. It is also creating a level of expectation of government but also of the LEPs and local authorities to harness the opportunity and deliver.
20. We should extend our Local Growth Strategy remit to cover enterprise, innovation and international in any case – they are prime areas of importance to the GCGP area.
21. We should consider this work as part of a long-term campaign for growth and investment in the GCGP area, and consider using it to prepare long term campaigns and influence with local and national partners and government.

APPENDIX 4A:

GCGP LEP BOARD REPORT: IMPLICATIONS OF LORD HESELTINE'S REPORT – NO STONE UNTURNED – AND THE GOVERNMENT'S RESPONSE TO IT

FOR INFORMATION

Introduction

Following on from the LEP Network Conference and Allan Arnott's email I said that I would produce a briefing paper for the Board. It is not easy to summarise the detail contained in the two reports, which together amount to some 300 pages but I have tried to pull out the critical points that provide both the underpinning background and the implications we need to consider.

In October last year, Lord Heseltine published a report on how to grow the economy. His report contained 89 recommendations that affected not only LEPs but a number of other aspects of local government intervention in the economy. Some of the issues raised were addressed in the Autumn Statement 2012 and the Government published its detailed response (the Response) to the report in conjunction with the budget in March this year.

The Response accepted in whole or in part 81 of the 89 recommendations, which at the top level brings together a number of elements of UK central funding into a Single Pot for distribution via the LEPs from 2015 and EU Structural and Investment Funds for distribution from 2014.

It is recognised that further information is required on the value of the funds, the levels of allocation, the bidding criteria for competitive elements and the process. As this paper is being drafted further information is emerging and therefore I expect to be able to update the Board at our meeting in May.

Intention

I have started with a quick summary of the intentions of the government as stated in the response.

The Government will:

- Devolve increasing resources and responsibilities to areas to empower them to deliver growth;
- Support all areas to increase their capacity to take on this new challenge;
- Remove central ring-fences to allow greater local pooling of resources and collaboration across an economic area;
- Work with local areas to establish reasonable transparency and evaluation processes that are proportional to the size and scale of the funding that is devolved and the capacity of an area; and
- Ensure coherence between the Single Local Growth Fund and existing initiatives.

The Government will not:

- Burden LEPs with competing priorities from the centre or introduce new local growth initiatives that need to be implemented in a different way.

LEPs will:

- Remain high level, business-led, strategic bodies, bringing together local leaders and businesses;
- Shape priorities within an area by leading the development of a strategic plan, including as part of this an investment strategy for the EU SI Funds;
- Consult with all relevant local actors in compiling their strategic plan – including local businesses, local

business groups, universities, further education colleges and local community groups;

- Retain the right to review their boundaries in light of experience and the increased responsibilities that will be placed on them; and
- Strengthen links with their constituent local authorities, and look to their local authority members to deliver the LEP strategy and EU SI Funds investment strategy.

Local authorities will:

- Use these new levers to enable them to prioritise growth alongside service delivery;
- Support the LEP(s) they are part of, and demonstrate their commitment to making collective strategic decisions, including delivering the agreed investment plans and delivering efficiencies;
- Pool strategic economic development spend and functions, and support LEPs in securing match funding for EU SI Funds;
- Co-ordinate land use planning functions and align adopted local plans, including the use of Local Development Orders, across local authorities in a LEP area;
- Manage and account for the localised funds through binding and long lived decision making structures such as a joint leaders committee as a minimum, or combined authority (preferable), or other similar arrangement; and
- Collect and report publicly on key economic development metrics and conduct evaluations.

Funding

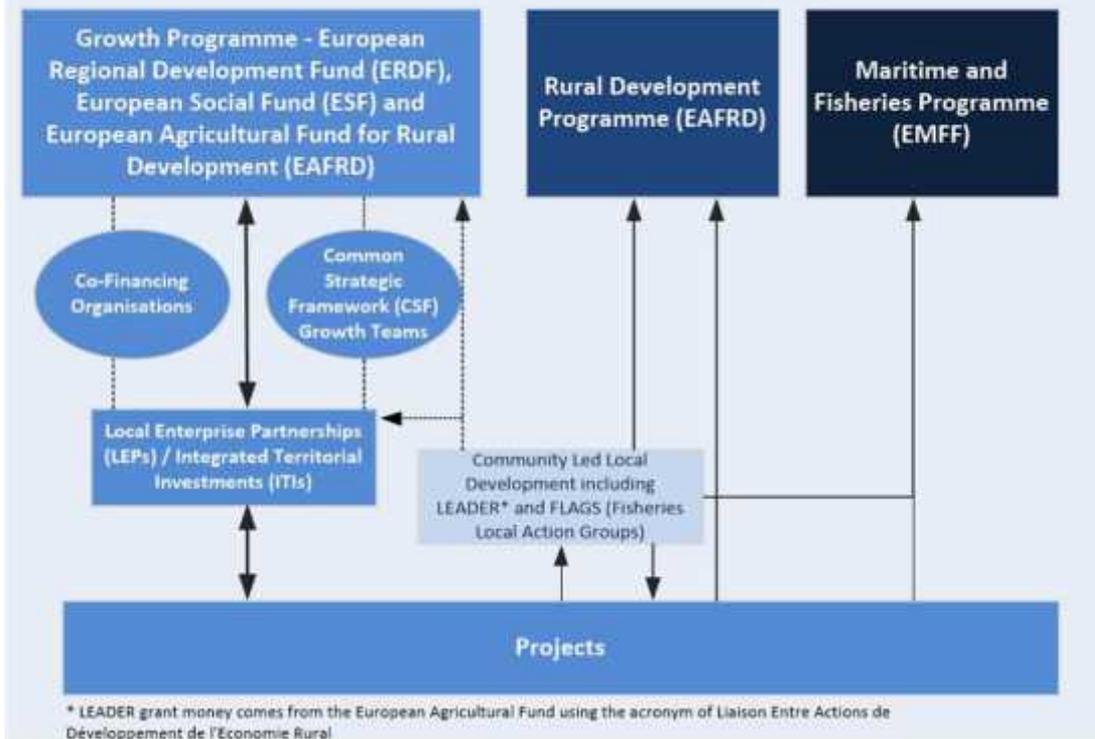
The government will move to bring together various funds from central departments into a single growth fund for use from 2015. There have been various estimations of the size of the fund up to £70bn but it would appear that government are now trying to moderate expectations.

The focus of the Single Pot fund will be on areas such as Housing, Transport and Skills. The Response specifically says that innovation will be dealt with on a national level however it recognises that for particular LEPs this could be a key issue and therefore where areas can make a case that they could deliver better results if innovation funding was devolved they will listen. It is also worth thinking about business support, which might reasonably be delivered more effectively on a local basis.

In addition it will pool significant elements of European Funding in to a separate pot. This will amount to some £9.5bn for use between 2014 and 2020. This cannot be combined with the Single Pot due to EU funding rules.

I have included below a diagram that shows the way EU funds will be distributed in the future.

Proposed EU Funding Growth Model for England



The areas covered by European Funds and the rules laid down by the EU for their allocations are different to the Single Pot. Therefore whilst both funds cover skills EU funds also cover innovation and enterprise. There is concern that the EU rules for the distribution of this funding, with its strong geographical bias, in contrary to governments stated intentions and we are seeking clarification.

The Response further foresees Local Authorities pooling a number of their activities to increase the value and effectiveness of the intervention.

Whilst the intention is not to ring fence Single Pot funds such that it will be left to local discretion as to how they are used and prioritised there is pressure at the moment to at least ring fence skills funding and there is likely to be some trade-off between the size of the funds and level of ring fencing.

It intends that LEPs will have strategic influence over a much broader set of resources. For example, some of the significant amount of spending by local authorities on economic development could be pooled or spent alongside LEP budgets.

The exact size of the funds is yet to be agreed. In the case of the UK Single Pot negotiations will take place with the central departments concerned and the results will be published as part of the spending review in June.

It has been highlighted that central departments are already campaigning to minimise the amount of their budgets that go into the Single Pot and LEPs need to lobby hard if they want to ensure the Single Pot has effective financial scale.

Competition

The government has made it clear that it wants to introduce an element of competition for Single Pot funds and whilst it is clear that this will not be all the allocation there will be winners and losers with the winners get most of the money.

I have been advised by our Cabinet advisor Ciaran Martin that already prosperous and high performing regions will not be discriminated against. However at the conference this was nuanced on the basis that there is level of expectation around the quality of plans from high performing areas and poor responses could result in disproportionate outcomes.

The allocation of the Single Local Growth Fund and any flexibility will be through a process of negotiation, where areas can make their case and central government can understand the capacity and governance that underpin local plans.

Strategic Growth Plans

LEPs will be expected to develop a strategic growth plan consistent with national priorities and show how both Single Pot and EU Funds will be used to enable this.

In developing the plans, LEPs and local authority members will be expected to work with all relevant local partners, including the local Chambers of Commerce, other business bodies and the wider business community.

These multi-year plans will provide investment confidence for businesses and local authorities and build on any existing plans the local area has. They will also link up with ongoing public programmes, for example existing City Deals or Enterprise Zones. The timescale of the plans is being debated and whilst the assumption is five years, there is pressure to make them longer.

These plans will be the basis on which the Government negotiates deals with each LEP for new levers, resources and flexibility over them. They need to set out the LEP's vision, rationale, priorities, capacity and governance (including governance arrangements across its constituent local authority members). It will also include a high-level investment plan setting out anticipated activities and associated investment, as well as resources available from both local authorities and the private sector.

LEPs will be asked to work with local authorities to put in place bespoke approaches to land use planning, including the use of Local Development Orders or other means to simplify the planning process for economically important projects.

All plans should include milestones and anticipated outcomes.

Plans will need a strong analytical base, driven by evidence of what works, and should exploit the potential for economic growth across the whole area served.

The emphasis will be on governance, capability, strategy and growth and I have noted below the assessment criteria highlighted in The Response:

- Strength of plans for effective pooling of economic development spend and functions across the LEP area, including the degree to which these funds will be revolving, what private sector leverage has also been secured and whether there is a co-ordinated approach to strategic spatial planning;

- Clarity of prioritisation of key strategic projects and vision for the area, based on the LEP's and local leaders' understanding of the area's competitive advantage, and unique combination of strengths and challenges, including how this fits with national growth priorities;
- Level of ambition demonstrated by bottom-up plans and targets for leveraging investment and for additional outputs and outcomes;
- Strength of evidence of deliverability, including skills and resources of the LEP, and the level of support and commitment of wider partners;
- The strength of governance arrangements in place, including the decision making structures for local authorities, such as a combined authority, and for joint LEP and local authority decision-making on spend; and
- Plans for transparent publication of data on key quantitative metrics such as increase in job numbers, Gross Value Added and commercial floor space, and for formal evaluation

Governance

You will see that the success criteria raise the question of governance. There are a number of indicators in The Response that demonstrates what government is thinking.

It clearly signposts that City Deals are a preferred template – although there is much being written about the unsuitability of this model for rural and market town geographies.

Local authorities will be expected to create a combined structure that ensures effective decision-making across the area. The minimum requirement is a Leaders Committee but there is a clear preference for something more structural. In the case of Birmingham this was through a Supervisory Board of local leaders who have seeded powers to this body.

There is encouragement for LEPs to reconsider if their boundaries are the most appropriate for developing and delivering their Strategic Growth Plan.

There is also support for councils who wish to look at unitary status but the preferred option is for councils to come together to share operations.

Process

Following submission of a plan, there will be a period of negotiation and discussion between each individual LEP and central government

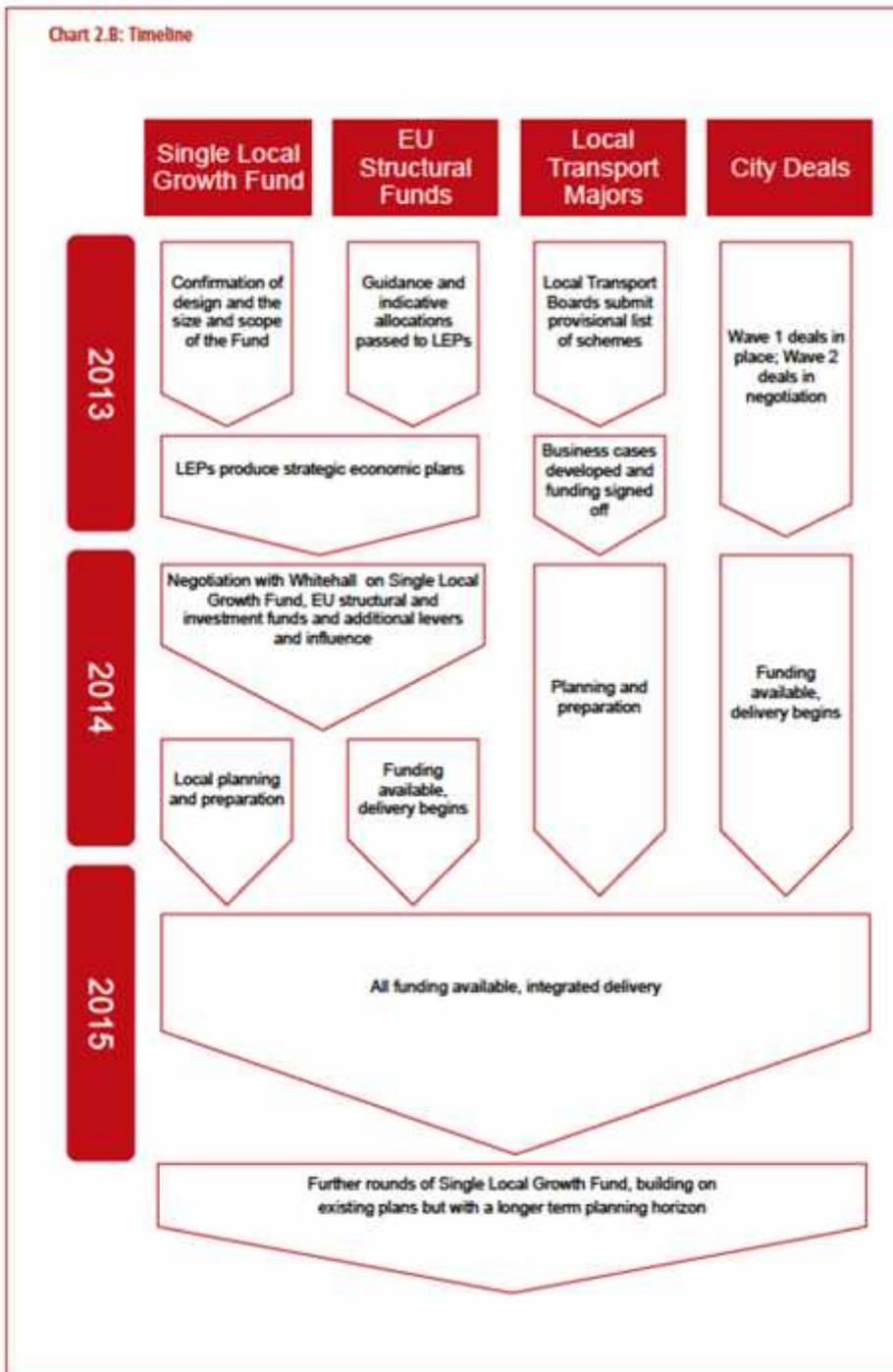
The LEP plan (including governance arrangements) will be assessed with the unique characteristics of the local area in mind and will inform decisions on the final level of the resources, levers and flexibilities allocated to a place.

Over time, an incentive element could be introduced to reward those LEPs that deliver on their plans and achieve real economic benefits, and past performance will be taken into account

Time scale

A chart below from The Response shows the proposed timescales

Chart 2.B: Timeline



You will see that it shows that for both the Single Pot and European Funds LEPs need to submit their outline plans by the autumn with firm plans being submitted in the New Year. This is a very challenging timescale particularly given that clarification on a number of issues will not be available until the end of June.

I discussed this with Claire Wren from HM Treasury, who drafted much of The Response, and she indicated that the original expectation had been to separate out the timescales for Single Pot and EU funding and the practicality of the timing will be discussed prior to finalisation of the bidding process in June.

At the LEP Network Conference the tightness of the schedule was discussed, but Lord Heseltine countered in typical bullish style saying that Birmingham’s recently published plan took eight weeks of intensive activity.

Implications for GCGP

There is concern that government departments will seek to minimise the amount of central funding taken from their budgets therefore we need to lobby ministers and MPs to ensure that the pot is of a scale and significance to be effective. To that end you will have seen the letter sent to the Prime Minister and we are currently preparing letters to go to all MPs in our region.

We need to establish a plan to develop our Strategic Growth Plan and bid that will:

- Identify the key areas we want to focus on in our plan.
- Identify resources and expertise required to build the plan.
- Create tasking framework to identify who will take the lead role in developing content.
- Identify how to use our subgroups to input into the strategy.
- Develop an engagement strategy for capturing the business priorities and views of the community.
- Explore how we can bring in additional private sector funding
- Develop an advocacy campaign to promote our plan
- Identify the key milestones and timelines

To this end I have started to work with the team to pull together our thoughts and proposals, which we will submit so that they can be discussed at the Board Meeting on 20th May.

Whilst we need to ensure that our plans and proposals are practical there is a need to be bold and imaginative and there will be inevitable pressure on resources and time, not only of the LEP but also our partners.

Given the tight timescale it will be essential that we run a number of activities in parallel. Not all activities can or should be led by the LEP and we will need to agree with partners where it is appropriate for them to lead.

We will need to consider the implications for our current strategy, which covers areas that are not highlighted in The Response, but are important for our region. Our inclination is, that having recently gone through a prioritisation process, we should seek to include enterprise, innovation and international but this will add to the workload.

We will need to consider Local Authority governance and understand with local government partners how we can achieve the best structure to support our plan.

Summary

At the LEP Conference there were a number of speeches by politicians and from Lord Heseltine. It is clear that the government is determined to follow through on the Heseltine report and it expects LEPs and local authorities to adapt to the new challenges.

It was said that this is a game changer and wasn't what LEPS had signed up to. We should therefore not underestimate the challenge or the need for us to think imaginatively about how we deliver the best and most effective strategic plan.

There are a number of meetings already scheduled with local Authority Leaders, BIS and advisors at which some of these issues can be raised and we will report back on these on the 20th May.

Although I hope that we get more clarity from Government we will not get the final bidding criteria, scale of the Single Pots and timescales until June so at this stage this is preparatory work. My expectation is even after this there will be a level of ambiguity and it will be up to us to interpret the advice and decide what works best for us.

There is no doubt that this represents a real challenge, but also a huge opportunity. It is already generating interest and engagement with business. It is also creating a level of expectation of government but also of the LEPs and local authorities to harness the opportunity and deliver.

As I said at the beginning of this paper I have had to boil down a lot of information and there is much additional comment on the internet. If you feel there are any issues that need to be explored at this stage or areas and concerns that we should be addressing please do highlight them.

APPENDIX 4B: EUROPEAN FUNDING STRATEGY

1. Government has proposed a single European Funding Programme for England for 2014-20 that combines ERDF (innovation and enterprise); ESF (skills and labour market inclusion) and EAFRD (agriculture and rural development) funds.
2. The current (2007-13) East of England European Funding allocations are: £110.9m ERDF. ESF is allocated nationally (England except Cornwall and the Isles of Scilly) at €2.9 billion. EAFRD is also allocated for England at £2.3 billion
3. There is no indication of the total value of funding for the new programme – a rough estimate (based on past awards) which does not take into account top slicing of European funding by central government for national programmes could put the funding allocations in the region of £25m ERDF, £25-75m in ESF, and £30-£60m in EAFRD.
4. Each LEP area to provide:
 - A European Funding investment strategy that covers its proposed use of a notional allocation of ERDF, ESF, EAFRD
 - Proposals for projects to deliver the investment strategy
 - Indicative sources of possible match funds
 - Assurance that funded projects will deliver their targets
 - Annual spend targets
 - Draft European Funding Strategy provided to government in September 2013; finalised by January 2014
5. Conditions
 - LEP investment strategies to be submitted in draft to government in September 2013; to be signed off by government in January 2014
 - EU funding priorities – similar to previous years – with emphasis for England on “smart specialisation” – 80% of ERDF for Innovation/R&D; Micro and SME support; and Low Carbon Economy
 - Support cross cutting issues – equality, sustainable development, social innovation
6. Other details:
 - Funding allocation is notional, not actual. No guidance on how the allocations will be made. Awaiting announcements from EU regarding Euro funding settlement for UK
 - LEPs and local partners may be able to access Technical Assistance Funding to help resource these tasks
 - EU funding requirements specify full/ representative stakeholder involvement in strategy development and in governance processes
 - BIS guidance is here: <https://www.gov.uk/government/publications/development-of-eu-structural-and-investment-fund-strategies-preliminary-guidance-to-local-l-enterprise-partnerships>

Challenges and opportunities

7. Clearly the proposed role and required outputs are significant – pretty much everything apart from technical support and project assessment/decision. In the short run – there will be a need for intensive effort and expert support, as well as a process which aligns with EU procedures
8. The 3 funds have traditionally been quite different in set up and delivery – likely to be some clear differences in approaches and requirements

9. In the long run – will need to set up satisfactory governance arrangements. It is clear that these will need to be on a wider membership basis than the LEP board. Suggest set up a separate EU strategy board and strategy delivery group
10. The headline EU funding priorities have not changed significantly
11. In terms of developing the strategy – the likely implications are that we will need:
- A governance body and process; as well as an operational group and process to deliver the strategy
 - A consistent and up to date evidence base – that covers the full range of issues for the 3 funds
 - Expert input from partners and external consultants – to ensure the process and strategy meet the requirements set out
 - Set out, at a minimum, a process for deciding on local targeting, local delivery arrangements and co-financing where relevant (e.g. tends to be more necessary for ESF and EAFRD)
 - A flexible EU funding strategy – that can maximise the good use of funds and match funding, and also, importantly – change as the economic challenges will (undoubtedly) change over the period
12. A great advantage compared to the Single Pot is that a lot is known about European Funding processes and uses, and there is a lot of experience amongst stakeholders. This makes it easier to put together a fit-for-purpose funding strategy.

Proposed way forward

13. The proposed process for delivering the European Funding Strategy is outlined as follows, with milestones:

	Q2 2013	Q3 2013	Q4 2013	Q1 2014
Scoping the process requirements, and initial ideas	June: (1) refine the process, proposed governance structure and end goals – initial workshop June: (2) secure technical support (Brussels office, Consultancy support, Stakeholder task and finish groups) June (3) appraise gaps in requirements (e.g. evidence base) and commission to fill gaps as necessary July: (4) formal consultation event July: (5) constitute governance arrangements			
Drafting	Aug-Sept: (6) Complete draft			
Consultation	Sept-Nov: (7) parallel consultation and amendments process with Government and local stakeholders			
Final drafting	Dec-Jan: (8) final drafting and formal sign-off			

Dovetailing EU funding into the Local Growth Strategy

14. European funding broadly covers the scope of enterprise, skills and rural development and fits into the broad Local Growth Strategy as per figure X below which outlines the main policy areas concerned and the broad availability of funds.

Policy Area/Funding source	Single Pot	EU	LEP GPF	LEP EZ BRRs	Local Authorities
Housing	✓			✓	✓
Infrastructure	✓			✓	✓
Skills	✓	✓	✓	✓	✓
Enterprise		✓	✓	✓	✓
Innovation		✓	✓	✓	✓
International		✓	✓	✓	✓

15. The use of European Funding is highly prescribed. It will not be able to fund the full range of LGS priorities, but may be able to fund a selection of actions/activities within the priorities.

ITEM 5: CORPORATE GOVERNANCE AND PROPOSED CHANGES TO COMPANY ARTICLES

FOR DECISION

SUMMARY: FOR DECISION

1. At the January 15 2013 board meeting, the GCGPEP approved the following changes to corporate governance and the company articles (attached as separate documents):
 - creation of the post of Vice Chair on the LEP board
 - Creation of new subcommittee: “Business Planning, Programme and Performance Committee”
 - Creation of new subcommittee: “Appointments and Remuneration Committee”
 - Suggested improvements to company articles with regard to legal advice
49. GCGPEP’s solicitors were instructed to implement the necessary changes to GCGPEP’s company articles. Updated copies have been provided in Appendixes A and B to this board paper

50. DECISION: BOARD ENDORSE THE NEW COMPANY ARTICLES AND CORPORATE MEMBER’S AGREEMENT

Board positions and committees

51. Vice Chair position: creation of the post of Vice Chair on the LEP board, with the following responsibilities:
52. Creation of clauses for board to create new committees as and when needed – by board resolution

Corporate membership

53. All local authorities in the LEP have been invited to be Corporate Members. Most have ratified this through their councils. However, the terms or benefits of Corporate Membership were never put into any meaningful detail. There is an opportunity to deal with some of the past concerns of local authorities (such as access to confidential information and scrutiny) through defining Corporate Membership. It is recommended that Corporate Membership includes the following terms:
 - Up to two scrutiny, performance or business planning review meetings between local authorities and GCGPEP
 - Confidentiality: Corporate Members are able to access information classified as confidential, but are bound by agreed corporate confidentiality and information protocols (note: we will need to take legal advice on their definition, conditions and penalties for disclosure of confidential materials, whether need non-disclosure agreements etc.)
 - Emergency measures: LA corporate members can assume the board role and governance of GCGPEP Limited under the specific circumstances of:
 - Normal board membership and functioning insufficient to meet corporate governance requirements set out in the company mems and arts - e.g. insufficient board membership for quorate decisions, no chair (seek legal advice on specific criteria)
 - Company being wound-up or dissolved without functioning board governance in place
 - Direct instruction by existing board for corporate members to reconstitute board or company governance
 - Long stop clauses relating to asset disposal: If GCGPEP limited is being wound up - that, in the event of an absence of prior board directives concerning asset disposal, any decisions about disposal of net assets would revert to Corporate Members.

Legal advice on improvements to the company articles

54. The original company articles were compiled on a pro-bono basis by solicitors in order to help GCGPEP get established, and were basic company articles. Subsequently, we have retained solicitors to act on our behalf who have given us legal advice on some aspects of the company articles which in their view could be improved, which include:

- Clarification of appointments as directors and members
- Including the possibility of local authorities themselves becoming corporate members, on application
- Including the possibility of admitting other corporate bodies as members, at the discretion of the board; and
- Clarification of the provisions relating to winding up or dissolution of the company, and the liability of its members

ITEM 6A: GOOD PRACTICE IN OTHER LEP AREAS

FOR INFORMATION

1. **At the previous (12 March) board meeting, board members wished to know more about good practice in other LEP areas. This board paper presents findings from research by GCGPEP staff, and consultations with The LEP Network and other national organisations who have an overview of such things.**
2. Across the UK, LEPs are championing and pioneering a variety of new projects from business portals to procurement events. To ensure we are abreast of the latest developments and best practice, we have put together a short overview document of key projects being run by other LEPs across the country.

Thames Valley Berkshire LEP: £7.25m Next Generation Businesses initiative

3. Thames Valley Berkshire Local Enterprise Partnership (TVB LEP) has committed £7.25 million of capital to create a new Escalator Fund, which will offer finance to SMEs that can deliver growth, in line with the remit given to LEPs by government.
4. The Escalator Fund comprises a series of repayable loans and will be live from 1 February 2013. £1.75 million has been allocated for the TVB Commercialisation Fund - which will support newly established companies that need limited support to enhance their market position. £4 million has been allocated for the TVB Expansion Fund - which will support development to scale up a business and accelerate its growth. £1.5 million has been allocated for an Equity Fund (The Thames Valley Growth Fund) - which is designed to support ambitious growing businesses and will be released when matched with private funds
5. It is being delivered by the FSE Group, which is an independent not-for-profit Community Interest Company whose purpose is to deliver growth funding and support to SMEs. It is authorised and regulated by the Financial Services Authority and will be responsible for managing the £7.25m Fund on behalf of the Local Enterprise Partnership. TVB LEP has delegated this responsibility to an organisation that has proven expertise in this field; indeed during the five years to 2011 FSE leveraged £107m of additional capital from an initial investment of £29m.
6. Another area offering business loans is Cumbria LEP who has a £1 million pot for loans of up to £150,000 at a 1% interest rate for capital projects that will create new jobs.

Oxfordshire LEP: R&D Higher Apprenticeship

7. Oxfordshire LEP has launched a new Higher Apprenticeship in Research & Development. The qualification has been developed by the UK's leading provider of manufacturing apprenticeships, Pera Training, and the Oxfordshire LEP, in partnership with a number of local employers from the engineering and manufacturing sectors.

Birmingham and Solihull LEP and Leicester and Leicestershire LEP: Better Business for All

8. A new toolbox of help has been put together by Greater Birmingham & Solihull and Leicester & Leicestershire LEPs. Its purpose is to help other LEPs build up relationships between local regulators and businesses with the aim of cutting the red tape and encouraging growth.
9. Branded "Better Business for All" the toolkit consists of templates and other resources to help LEPs across the country - available at <http://www.bis.gov.uk/brdo/business/leps/bbfa-resources>

Examples of SME 'portals' that include LEP provided support and information

10. <http://www.businessinspiredgrowth.com/support/> (York North Yorkshire and the East Riding LEP) - LEP funded/led support for:
 - Professional advice online
 - Business mentoring
 - Business planning support

11. <http://www.bizinfoportal.co.uk/> (New Anglia LEP) is another example of a business portal.
12. It is worth noting that the level of investment required for such portals is significant, and data relating to ROI and traffic levels is limited at this moment in time.

Humber Skills Pledge

13. Humber LEP has called business to sign up to the Humber Skills Pledge, to encourage further joint working between employers, training providers, local councils and organisations, such as JobCentre Plus, to create a single point of call for businesses to access training and skills information.

ITEM 6B: LONDON STANSTED CORRIDOR CONSORTIUM

1. For the past 6 months, GCPGEP has been in contact with the London Stansted Corridor Consortium about areas of mutual interest and support.
2. The principal objective of the consortium is to drive economic development and enhance quality of life in the north London - Stansted - Cambridge corridor. This means not only driving job growth through productivity and investment, but more importantly increasing economic activity, by ensuring local communities access employment opportunities.
3. There are a number of work streams underway to support these core objectives:
 - **Advocacy:** The LSCC has been making the case for the area already, for example coordinating support for the area in Westminster and Whitehall.
 - **Rail:** The LSCC has lead on ensuring significant investment into the West Anglia Line, helping to unlock major development opportunities and enhancing the connections to Stansted and Stratford.
 - **Stansted:** The LSCC will be working closely with the new owners of Stansted to realise its full potential as an economic driver for the corridor.
 - **Skills and the labour market:** Working with colleges and business we have been defining the area's strategic skills and labour requirements. We are working to ensure a focus on employer lead skills provision and promoting the corridor's four emerging University Training Colleges.
 - **Priority Infrastructure Agenda:** The partnership is defining a shared plan for the major pieces of strategic infrastructure need to drive economic development. This will form the platform for coordinated lobbying to secure the investment required to unlock major growth.
 - **Promotions:** Via documents such as this prospectus and a presence at the international property event MIPIM we are working to promote the region as a great place to invest.
 - **Coordination:** The LSCC straddles 3 counties, the Greater London Authority and 4 Local Economic Partnerships. The LSCC is working to help coordination and collaboration across administrative boundaries on common issues, such as infrastructure delivery.
 - **Liveability:** Working to promote the assets the LSCC has which makes it a desirable place to live.
4. Future work streams may include:
 - Foreign Direct Investment
 - Enterprise and Innovation
 - Sector Strategies
 - Tourism
 - Crossrail 2
 - Higher Education Expansion / UTCs
 - Land owners and institutional investment
 - New investment systems and instruments.
5. There is an ambition to re-brand LSCC as the "London - Stansted - Cambridge Consortium", and to bring in areas such as Peterborough which take in the full M11/A1 corridor and the extended rail links from Stansted Airport.
6. Overall, involvement with LSCC helps us to understand and articulate our relationship with Stansted Airport and with London, as well as join a powerful lobbying coalition in areas of mutual interest.