

New Anglia Local Enterprise Partnership Board Meeting

Wednesday 25th October 2017

10.00am to 12.30pm
City College, Ipswich Road, Norwich, NR2 2LJ.

Agenda

No.	Item	Duration
1.	Welcome	20 mins
2.	Apologies	
3.	Declarations of Interest	
4.	Welcome from City College	
5.	Actions / Minutes from the last meeting	
Forward looking		60 mins
6.	Economic Strategy for Norfolk and Suffolk	For Approval
7.	Review of LEP Programmes - Confidential	For Approval
Governance and delivery		70 mins
8.	Capital Growth Fund	For Approval
9.	Digital Creative Industries Proposal	For Approval
10.	Managing Director's report	
11.	Britvic & Unilever Presentation	Update
12.	PwC Report - Confidential (including private session)	Update
13.	Business Performance Reports	
14.	Finance Report (Including confidential appendices)	
15.	Any other business	

Date and time of next meeting: 22nd November 10am-12.30pm

Venue: Adastral Park, BT Martlesham, Ipswich

**New Anglia Board Meeting Minutes
(Unconfirmed)
20th September 2017**



Present:

Cllr David Ellesmere (DE)	Ipswich Borough Council
Doug Field (DF)	East of England Coop
Cllr John Griffiths (JG)	St Edmundsbury Borough Council
Dominic Keen (DK)	High Growth Robotics
Steve Oliver (SO)	MLM Group
Mark Pendlington (MP)	Anglian Water
Cllr Andrew Proctor (AP)	Broadland District Council
Prof David Richardson (DR)	UEA
Lindsey Rix (LR)	Aviva
Sandy Ruddock (SR)	Scarlett & Mustard
Jeanette Wheeler (JW)	Birketts
Tim Whitley (TW)	BT

In Attendance:

Viv Gillespie (VG)	Suffolk New College (For Nikos Savvas)
Cllr Richard Smith (RS)	Suffolk County Council (For Colin Noble)
Mike Stonard (MS)	Norwich City Council (For Alan Waters)
Alison Thomas (AT)	Norfolk County Council (For Cliff Jordan)
Chris Dashper (CD)	New Anglia LEP
Iain Dunnett (ID)	New Anglia LEP
Hayley Mace (HM)	New Anglia LEP
Emily Manser (EM)	New Anglia LEP
Julian Munson (JM)	New Anglia LEP
Lisa Roberts (LiR)	New Anglia LEP
Keith Spanton (KS)	New Anglia LEP
Chris Starkie (CS)	New Anglia LEP
Natasha Waller (NW)	New Anglia LEP
Helen Wilton (HW)	New Anglia LEP
Shân Lloyd (SL)	BEIS
Tracey Jessop (TJ)	Norfolk County Council
Sue Roper (SR)	Suffolk County Council

Actions from the meeting: (20.09.17)	
Managing Director's Report	CS ID CD CD
<ul style="list-style-type: none"> To receive the CPRE brochure via email To receive an update on fire precautions included in the Winerack development To receive details of the grant allocation detailed geographically. To receive a future report on the approach to NAC investments 	
1	Welcome from the Chairman
Mark Pendlington (MP) welcomed everyone to the meeting including those deputising for colleagues namely Viv Gillespie, Richard Smith, Mike Stonard and Alison Thomas.	
2	Apologies
Nikos Savvas (NS) – West Suffolk College Colin Noble (CN) – Suffolk County Council Cliff Jordan (CJ) – Norfolk County Council Alan Waters (AW) – Norwich City Council	
3	Declarations of Interest
Full declarations of interest can be found at http://www.newanglia.co.uk/about-us/the-board/ . The board were reminded that declarations of interest are required as part of LEP scrutiny and must be submitted to the LEP office at the earliest convenience. Declarations relevant to this meeting: None	
4	Minutes of the last meeting 19th July 2017
<i>Actions of the last meeting updated as follows:</i>	
LEP Operations Review	DF/DE/CS
To develop an action plan to implement the recommendations. This work should be led by Doug Field (DF) and DE supported by CS. The plan will be reviewed in item 9.	
Managing Director's Report	
MP to speak to Jamie Burles at Abellio, to ascertain the position re strike action – The email received has been circulated to the Board.	
CS to update the Board on the LEP's current position on investment in tourism in the region – An email will be circulated providing an update.	
LiR & CD to review discrepancy between Dashboard RAG rating and that of the BPRs – Complete.	
Business Performance Report	
CD to provide details of the Small Grant Scheme applications to Dominic Keen (DK) - Complete	
New Anglia Capital Progress Report	
The Board to be provided with the Terms of Reference for the New Anglia Capital Committee - Complete	
The Board to receive an analysis of the return on NAC investments at a future Board meeting - Ongoing	
Draft Accounts for 2016/17	
To delegate signed off of the accounts & audit letter to the chairman, MP, & DF, the LEP Finance committee chairman - Complete.	
For AW to be added to the document - Complete	
Election of New Chairman	
Hayley Mace (HM) to draft & issue a press release re the appointment - Complete	
The minutes were accepted as a true record of the meeting held on 19th July 2017.	
5	Managing Director's Report
CS took the majority of the paper as read and asked for questions for the Board.	
CS noted that recruitment was ongoing and the LEP structure chart would be updated and circulated as further staff joined the organisation	
Web Site – Hayley Mace (HM) advised the meeting that the new LEP web site is being built in-house. A link will be sent to Board members early in October for comment.	

<p>Steve Oliver (SO) asked for further information on the South Suffolk Task Force. CS confirmed that it will be chaired by James Cartlidge and will include representation from the Growth Hub. He confirmed that the LEP was looking to expand the original plan from just finding employment for the Delphi workforce and the aim of the Taskforce had been widened to obtain the best economic results for the area.</p> <p>Richard Smith (RS) noted that he was pleased that the LEP was supporting the bid from CEFAS and reiterated the Council's support for the plans. CS confirmed the LEP's support for the CEFAS plans.</p> <p>Lindsey Rix (LR) asked what further work was being undertaken to roll out broadband across those areas of the counties not currently covered. Tracey Jessop (TJ) confirmed that work was ongoing to address the 5% not currently included in Wi Fi roll-out plans.</p> <p>CPRE – CS updated the Board on his meeting with the CPRE and had discussed their view of economic growth in the region noting that there was common ground between the organisation which can be explored. CS advised that he would circulate CPRE Norfolk brochure view email.</p> <p>Mark Pendleton (MP) noted his support for the LEP's involvement in the RESI conference.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> • To note the content of the report • To receive the CPRE brochure 	CS
<p>6 Finance Report</p>	
<p>Keith Spanton (KS) reviewed the Finance report as included in the Board papers. KS thanked the local authorities for their rapid response to the annual funding letters.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> • To note the content of the reports. 	
<p>7 Business Performance Reports</p>	
<p>CS took the majority of the papers as read and added the following items:</p> <p>It was noted that an overall RAG rating had been removed for some BPRs as within one rating there may be sub-categories with varying RAG status therefore using one overall rating was not appropriate.</p> <p>Growth Deal – Emily Manser (EM) updated the meeting on project spend highlighting those areas with underspend and advised that a capital swap with Norfolk County Council was being investigated.</p> <p>Snetterton Employment Area – as Breckland are not ready to proceed with this in its current format EM recommended that the Board deallocate this project which could then reapply for funding in the future when the revised project has been fully scoped and planned.</p> <p>SO queried who would complete the due diligence on the new request. CS confirmed this would be done by the LEP team who would appoint independent technical experts to assist in the analysis.</p> <p>SO asked who would be appointed and how their level of technical expertise would be assessed to ensure it is sufficient. CS advised that this would be assessed by the LEP team when the revised plans were received and that if any additional expertise was required it would be brought in.</p> <p>Alison Thomas (AT) asked if the new project would be completely separate from the original one and would the change have any effect on planning permission. CS confirmed it would have no impact on planning and that the new project would be assessed as a completely new request.</p> <p>The Board agree to de-allocate the £2.3m funding currently allocated and invite Breckland to reapply when its new plans were finalised.</p>	

<p>SO requested an update on the wet dock crossing. CS confirmed it was proceeding as planned.</p> <p>SO asked whether there was any update following the letter regarding fire precautions sent to the developers of the Winerack. Iain Dunnett (ID) confirmed that the developers had been given the brief to progress with all diligence on fire precautions and that an update to be sent to the Board.</p> <p>Growth Programme - Chris Dashper (CD) highlighted the change to the tables detailing month on month changes.</p> <p>CD highlighted the improvement in the Small Grants Scheme noting that the delivery of the grants will increase significantly over the next 2 months as the funds, which have already been agreed, are drawn down.</p> <p>It was noted that there was a knock on impact on the Growing Business Fund applications as the Small Business fund now covered grants up to £25,000. This effect would be reduced by the future amendments to the scheme which will be introduced to ensure it ties in with the new Economic Strategy. A paper on this will come to October's board meeting.</p> <p>The Board asked to receive details of the grants by geographical area.</p> <p>Growing Places Fund – ID advised the meeting that work on the Winerack was due to start in October with the exact date to be confirmed by the developer. Work on the Proserv site was on schedule and due to complete in March 2018. The plans for the Malthouse project will be presented to the October Board meeting.</p> <p>New Anglia Capital - Dominic Keen (DK) asked how funds would be returned from these projects. CD advised that discussions were ongoing with the various organisations regarding the return of the investment and historically share deals had been agreed.</p> <p>Andrew Proctor (AP) stated that he felt that the Board needed to have a deeper understanding of NAC investments given the accompanying accountability for Board members. John Griffiths (JG) expressed his support.</p> <p>David Ellesmere (DE) felt that the timing of any share buy-back needed to be assessed to ensure it is the most appropriate time for the LEP and that the potential of the company should be analysed as part of this decision.</p> <p>AP requested the inclusion of a future Board Agenda item to review the way ahead for NAC investments and the current approach being taken. This should include the exit strategy where the date of a planned trade sale has passed.</p> <p>Enterprise Zones – The meeting was advised that the report will be updated after the end of the quarter.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> • To note the content of the report. • To De-allocate £2.3m funding awarded to the Snetterton project and invite Breckland to reapply. • To receive an update on fire precautions included in the Winerack development • To receive details of the grant allocation detailed geographically. • To receive a future report on the approach to NAC investments 	<p>ID CD CD</p>
<p>8 National LEP Policy Development</p>	
<p>CS took the majority of the papers as read and added the following items: The results of Mary Ney's review of LEPs will be issued shortly and will be shared with LEPs in advance.</p> <p>Sector Deals – CS has been meeting with colleagues from across the sectors to progress these deals and opportunities.</p> <p>SO queried how the industrial strategies established by central Government tied in with the new Economic Strategy. CS advised that having a local strategy gave the LEP the</p>	

	<p>opportunity to work with Central Government and tailor the national strategy at a local level. Shan Lloyd noted that having a combined strategy gave Norfolk and Suffolk additional influence in the implementation and use of funding.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> To note the content of the report. 	
9	PWC Operations Review - Confidential	
	<p>The Board members held a confidential discussion on the paper provided in the report</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> To agree the implementation plan included in the report 	
10	Economic Strategy Update	
	<p>Lisa Roberts (LiR) took the majority of the papers as read and added the following items:</p> <p>The endorsement process has begun and the CBI, the UEA and tourism, culture and digital sectors have already endorsed the strategy. Work is now underway to produce an implementation plan.</p> <p>LiR requested endorsement from the Board of the Implementation Framework as included in the report.</p> <p>Alison Thomas asked if BPRs would be produced to monitor performance. LiR confirmed that monitoring and reporting plans would be produced including the timing and frequency of the reporting.</p> <p>Mike Stonard (MS) asked whether there was a process to agree who will be a member of which thematic group and how will these be decided. LiR agreed that options will be presented to the Board for a decision.</p> <p>DE queried whether the Government's new consultation on how to assess housing needs announced last Week means that the numbers planned for new houses in the strategy needs to be updated. LiR advised the meeting that this would be investigated and numbers updated if required.</p> <p>Tim Whitley (TW) asked what would be done to ensure the Economic Strategy is aligned with the LEP strategy. LiR confirmed that the LEP Board will oversee the implementation of the strategy but there will also be a management board to ensure that the strategies remain aligned.</p> <p>MP expressed his thanks to LiR and her team for the extensive work carried out to date both in the research and data gathering and in the production of the strategy.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> To note the content of the report. To endorse the new Economic Strategy Implementation Framework 	
11	Any Other Business	
	<ul style="list-style-type: none"> On behalf of the LEP board and the New Anglia staff CS thanked MP for his exemplary leadership as Chairman and presented him with some tokens of appreciation to mark the end of his term. 	

Next meeting:

Wednesday 25th October, 10am-12.30pm.
City College, Ipswich Road, Norwich, NR2 2LJ

Actions from New Anglia LEP Board Meetings

Date	Item No.	Action	Update	Actioned By	Date	Status
20/09/2017	5. Managing Directors Report	To receive the CPRE brochure via email		CS		Completed
20/09/2017	7. Business Performance Reports	To receive an update on fire precautions included in the Winerack development		ID		Completed
20/09/2017	7. Business Performance Reports	To receive details of the grant allocation detailed geographically.		CD		On-Going
20/09/2017	7. Business Performance Reports	To receive a future report on the approach to NAC investments		CD		On-Going
13-Jun-17	7. Managing Directors Report	CS to update the Board on the LEP's current position on investment in tourism in the region	An email has been circulated to Board members providing an update	CS		Completed
21-Jun-17	6. Managing Directors Report	Integrated Transport Strategy – further comments from board members are welcome		All		On-Going
23-May-17	7. Business Performance Reports	Growth Programme - A presentation on Eastern Agri-Tech Initiative to be brought to the Innovation Board.				On-going
23-May-17	10. Inward Investment framework	An inward investment/international committee to be created with Jeanette Wheeler, David Richardson, Mark Goodall and Tim Whitley.	A committee has been established with the first meeting being planned			On-going
23-May-17	10. Inward Investment framework	Job descriptions for the new roles to be circulated to the new committee.		JM		On-going
22-Feb-17	5. EU Funding for Norfolk and Suffolk	The LEP executive to develop a plan for the future uses of the report, to include costs and how the LEP can engage and collaborate with businesses.				On-going
22-Feb-17	7. Finance Report	The LEP executive to continue to lobby Treasury regarding irrecoverable VAT.				On-going
18-Jan-17	6. Managing Directors Report	A paper to be brought to a future board meeting to detail the challenges in Housing and considered with the SEP Development.	A paper to be brought to a future board meeting	CS		On-going



New Anglia Local Enterprise Partnership Board

Wednesday 25th October 2017

Agenda Item 6

Economic Strategy for Norfolk and Suffolk Approval

Author: Lisa Roberts

Purpose: Seek the LEP Board's approval of the new Economic Strategy for Norfolk and Suffolk.

Recommendation: The Board are invited to approve the Economic Strategy for Norfolk and Suffolk.

Development of the Economic Strategy for Norfolk and Suffolk recap

The development of the strategy has been a shared endeavor between business, education providers, local councils, the voluntary and community sector and the LEP. All of which have shown interest, passion and ambition in driving the success of our economy. The input from these many organisations and over 1000 individuals has been an integral part of shaping the strategy.

A much wider and deeper evidence base has been used to develop the strategy, enabling us to further our understanding of our area's future, identify opportunities and challenges and the collective actions needed to support business, individuals and places to grow and succeed.

People and places are central to the strategy, firmly acknowledging that our communities live, learn and work and businesses operate in towns, cities, rural and coastal communities.

The strategy takes a holistic approach to tackling challenges and realising opportunities, bringing together the different pillars that support growth, exploiting links across our sectors and places, improving efficiency and effectiveness in delivering a thriving economy that everyone benefits from.

There is a strong commitment from all those who have engaged to continue to build on the strong foundations and successes of that past few years and firmly establish Norfolk and Suffolk as the place where people want to live, work, learn, invest and do business.

Partners Endorsement of the Economic Strategy

Over the last couple of weeks the strategy has gone through a private and public endorsement process.

Annex A is a partners endorsement list, organisations in black have confirmed endorsement, organisations in red have been invited and are yet to confirm. A final list will be tabled at the LEP Board meeting.

Approval of Economic Strategy and supporting documents

The LEP Board are recommended to approve the new Economic Strategy for Norfolk and Suffolk and its supporting documents.

- Economic Strategy for Norfolk and Suffolk - [Click here to view](#)
- Executive Summary - Economic Strategy for Norfolk and Suffolk – [Click here to view](#)
- Economic Strategy for Norfolk and Suffolk Evidence Report – [Click here to view](#)

Next Steps

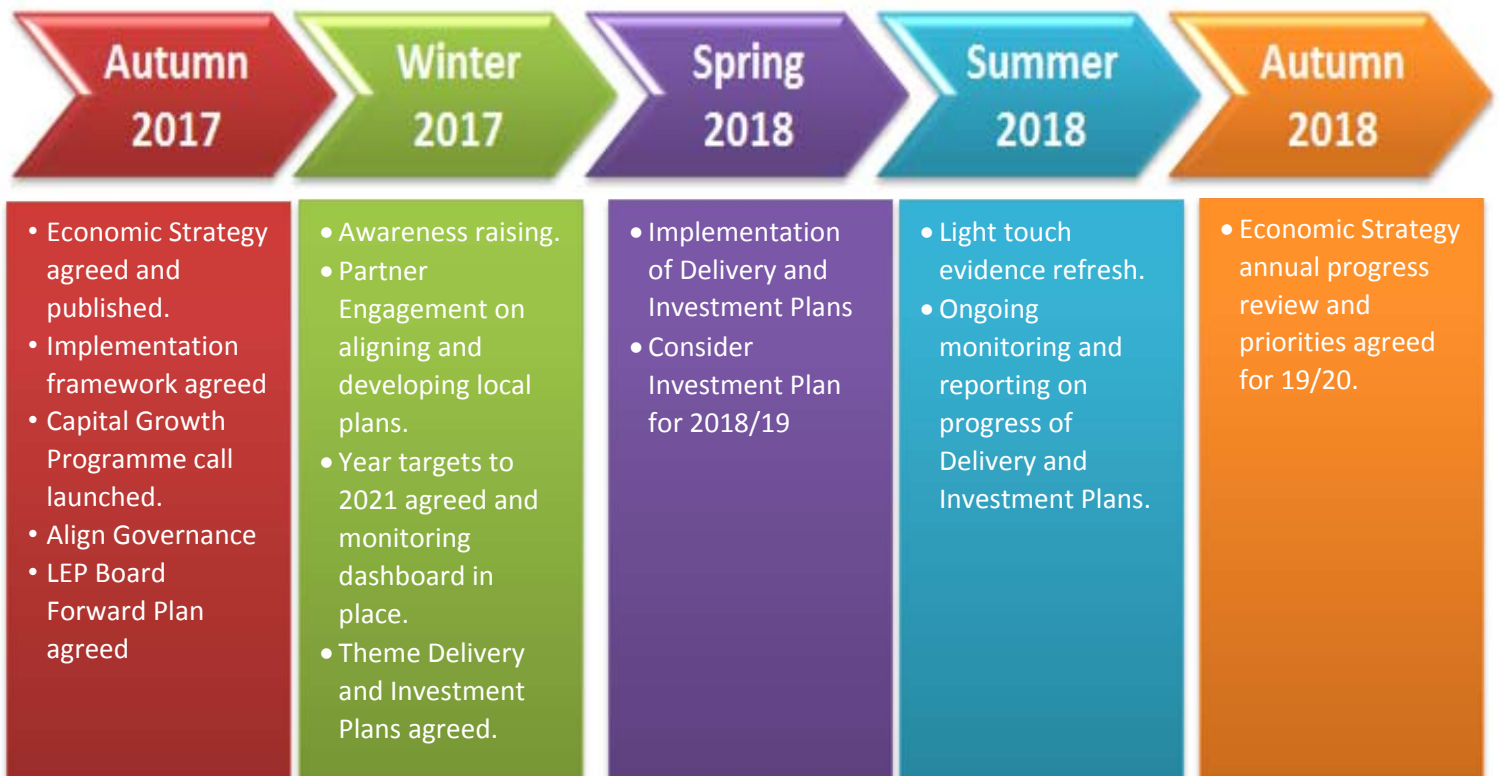
The Economic Strategy, Executive Summary and Evidence Report will be published on the LEP’s website on 26th October and will be visible to all.

During the endorsement process the strategy has received a lot of media coverage and as a result the Steering Group has recommended the strategy has a soft launch now and work towards a bigger launch in the spring once the delivery and investment plan is developed and approved.

The full Economic Strategy will be an interactive online document held on the LEP website where other partners can link to. A printed copy of the full Economic Strategy will be sent to LEP Board members, Local Authority Leaders and Sector Leads.

The Executive Summary will be available in print and shared with partners to use for publicity material. These will be delivering to partners during November.

The diagram below outlines the key activities and timetable for implementing the strategy.



Education Establishments

- Norwich University of the Arts
- University of East Anglia
- **University of Suffolk (Lisa chasing)**
- New Anglia College Group
 - City College Norwich
 - The College of West Anglia
 - East Norfolk Sixth Form College
 - Easton & Otley College
 - Great Yarmouth College
 - Lowestoft College
 - Lowestoft Sixth Form College
 - Paston Sixth Form College
 - Suffolk New College
 - Suffolk One
 - West Suffolk College

Businesses and Business Subsidiary Groups

- Adnams
- **Agri-tech East (Marie chasing)**
- **Anglia Farmers (24 Oct)**
- **Anglian Water (Lisa chasing)**
- Aviva
- Ben Burgess & Co
- Broads Authority
- Briar Chemicals
- **BT (24 Oct)**
- Business Writers Ltd
- CBI
- **Cefas (24 Oct)**
- **Community Action Suffolk (Marie chasing)**
- **Community Action Norfolk (Marie chasing)**
- CLA
- East of England Co-op
- **Eastern Enterprise Hub (Marie chasing)**
- **EDF Energy (24 Oct)**
- Finance East
- Foolproof
- **FSB (Marie chasing)**
- **Fram Farmers (24 Oct)**
- Hethel Innovation
- Hethel Engineering Centre
- Icen Diagnostics
- IoD (Suffolk)
- **IoD (Norfolk) Marie chasing**
- **KLM (24 Oct)**
- **Leaf Expression Systems Ltd (24 Oct)**
- Lintott Control Systems Limited

- Lotus (24 Oct)
- Marsh (24 Oct)
- MENTA (Marie Chasing)
- MSF Technologies (24 Oct)
- Muntons (24 Oct)
- Morgan Sindall
- Nautilus Associates Ltd
- Norfolk and Suffolk Community Foundation
- Norfolk Chamber of Commerce
- Norfolk Country Cottages (24 Oct)
- Norwich International Airport (24 Oct)
- Norwich Research Park (Marie chasing)
- Nwes
- NFU (Marie Chasing)
- OrbisEnergy
- Peel Ports (24 Oct)
- Port of Felixstowe (24 Oct)
- Proserve (24 Oct)
- RG Carters (24 Oct)
- Scottish Power (24 Oct)
- Seajacks (24 Oct)
- Scottow Enterprise Park
- Suffolk Chamber of Commerce
- Vattenfall
- Whole House Energy (24 Oct)
- Willis (24 Oct)
- Writers' Centre Norwich

Sector Groups

- Building Growth Group
- Digital Creative Industries Group
- EEEGR
- Financial Industry Group (chasing)
- Food, Drink and Agriculture Board
- New Anglia Cultural Board
- New Anglia Advanced Manufacturing & Engineering
- TechEast (chasing)
- Visit East Anglia

Local Authorities

- Babergh and Mid Suffolk Councils
- Breckland District Council
- Broadland District Council (awaiting confirmation – 24 Oct)
- Forest Heath District Council (awaiting confirmation – 24 Oct)
- Great Yarmouth Borough Council
- Ipswich Borough Council
- Norfolk County Council
- Norwich City Council (awaiting confirmation – 11 Oct)

- North Norfolk District Council
- South Norfolk Council
- St Edmundsbury Borough Council (awaiting confirmation – 17 Oct)
- Suffolk Coastal District Council
- Suffolk County Council
- Waveney District Council
- West Norfolk Council (awaiting confirmation – 17 Oct)



New Anglia Local Enterprise Partnership Board
Wednesday 25th October 2017

Agenda Item 8

Capital Growth Fund: Round one call for projects October 2017

The New Anglia Local Enterprise Partnership is committed to developing real economic growth and is calling for partners to submit information on projects that will contribute to the delivery of the Economic Strategy for Norfolk and Suffolk.

The funding available for this interim call for projects is £9m, £4.3m from the deallocation of existing projects Snetterton Employment Area and Denmark Road and £4.7m from the Growth Deal allocation.

The ambitions for Norfolk and Suffolk set out in the Economic Strategy are:

- The place where high growth businesses with aspirations choose to be.
- An international facing economy with high value exports.
- A high performing productive economy.
- A well-connected place.
- An inclusive economy with a highly skilled workforce.
- A centre for the UK's clean energy sector.
- A place with a clear, ambitious offer to the world.

The Economic Strategy can be viewed by following this link:

<http://www.newanglia.co.uk/new-economic-strategy/>

Local Growth Funding is delivered through the New Anglia LEP Growth Deal. This is a Deal with Government to support key capital investments that deliver jobs and growth. Our Growth Deal is currently valued at £221m to be delivered between 2015 and 2021. In addition, New Anglia LEP has successfully bid for and has been allocated a further £69m of Local Growth Funding for the period 2017-2021.

To ensure that Growth Deal funding remains directed to capital infrastructure investments that will help to deliver our Growth Deal ambitions, New Anglia LEP is launching a call for projects for a new Capital Growth Programme in conjunction with the launch of the new Economic Strategy.

This call for projects is particularly seeking bids for projects that contribute to delivering the priority themes of the Economic Strategy:

- Our offer to the world
- Driving business growth and productivity
- Driving inclusion and skills
- Collaborating to grow
- Competitive clusters close to global centres

Priority will be given to projects which have a well-developed outline business case, are realistic and achievable and can demonstrate flexibility in delivery. All projects funded through this call should be completed by 31 March 2019. All projects must be capable of being completed before March 2021. Projects should be able to deliver against the core outputs identified for the programme below:

Capital Growth Programme Core Outputs

Connectivity- investing in essential projects and assets that improve the infrastructure and which create a modern, mobile, accessible future-proof digital connected economy.

Unlocking Growth- investing in infrastructure that unlocks or protects housing or commercial developments in our key growth locations.

Investing in skills- investing in projects that deliver the higher level skills needed to drive growth across our economy with a particular emphasis on our 'innovation' and 'enabling' sectors.

Process

This call for projects is the first stage in the process of identifying and prioritising projects that will form a set of opportunities that will help to deliver economic growth and contribute to the priorities of the Economic Strategy in Norfolk and Suffolk.

1) Expression of Interest: An initial summary of the project which can be substituted for the full project business case if available. This process will need to provide sufficient information to help decide if the project meets the requirements of the Call. The call will close on 30/11/17 and all expressions of interest must be received by this date. No late submissions will be considered.

2) Review of Submissions: The initial review of information by the LEP is a prioritisation process to assess projects against the objectives of the Economic Strategy. Projects that do not meet the ambitions of the Economic Strategy (listed above) will not proceed beyond this stage.

3) Development of projects: Once accepted as a potential Capital Growth Initiative project, the project will supply further information and evidence in support of the business case. This will enable a detailed appraisal of the projects to take place. All projects must be able to demonstrate that the following key issues have been addressed:

- whether the need for the project has been clearly demonstrated
- evidence of option appraisal and business case
- how well the project meets the priorities of the Economic Strategy
- how well the project fits with local and sub-regional plans and priorities
- potential for alternative funding, partnering and joint schemes
- estimated costs with level of detail to reflect the current stage of the project
- potential of the project to contribute to economic growth

- potential of the project to achieve payback
- how likely the project is to be successful
- how risks will be managed and mitigated
- economic outputs and impacts created by the project
- how the benefits of the project will be sustained after LEP funding finishes.

4) Appraisal The appraisal of projects will be carried out in accordance with HM Treasury Green Book principles of viability, value for money, achievability, affordability and need. The LEP will appoint external appraisers for this call. A technical appraisal specialist may be sourced for individual projects if necessary.

The appraisal process will examine the following aspects of the project:

- Justification of local economic need
- Evidence of failure in commercial markets
- Barriers to development due to lack of or inadequate infrastructure
- Viability gaps for development of sites
- Opportunity to accelerate delivery of development
- State Aid

5) Selection and Decision: The New Anglia LEP Board will consider all applications at its January 2018 meeting and determine whether to approve or reject each application.

6) Funding: All projects approved for funding will be subject to a legal agreement drawn up in conjunction with the LEP's Accountable Body, Suffolk County Council. The agreement will include the cycle of anticipated drawdown of funding and the outputs expected to be generated by the project.

Key Criteria

Only Capital Infrastructure projects located within the New Anglia Local Enterprise Partnership area may apply.

All projects must be:

- Fully completed by the end of March 2021, although all projects must have a degree of flexibility in delivery and earlier delivery would be looked on favourably
- Able to demonstrate their contribution to the delivery of the Economic Strategy through direct and indirect outputs.
- State Aid compliant
- Able to demonstrate the need for funding and the additionality achieved by the funding

It will not be possible to support:

- Revenue costs
- costs that have been incurred before a grant offer is made
- items that only benefit an individual or sole business
- items that are not directly needed to deliver the proposed work
- loan repayments or contributions to general appeals
- political or religious activities

Support

Queries on the completion of the Outline Application Form and process should be directed to:

General Infrastructure projects:

Iain Dunnett: iain.dunnett@newanglia.co.uk

Other Capital Projects:

Emily Manser: Emily.manser@newanglia.co.uk

Jonathan Rudd: jonathan.rudd@newanglia.co.uk

Timetable

Call for projects opens Wednesday 25 October 2017

Closing date for Expressions of Interest 30 November 2017

Review of applications by end of December 2017

Report to New Anglia LEP Board January 2018

Feedback to applicants January 2018

Legal agreements issued from February 2018

Please send completed Outline Application Forms to

Tracie.ashford@newanglia.co.uk

To arrive no later than 5pm on Thursday 30 November 2017

New Anglia LEP

Centrum

Norwich Research Park

Norwich

NR4 7UG

Useful information

Applicants should ensure that they are familiar with the standards required for full business case appraisal at an early stage. The full version of HM Treasury Green Book "Appraisal and Evaluation in Central Government" can be viewed at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/220541/green_book_complete.pdf

In addition, reference should be made to the DCLG Appraisal Guide (December 2016) <https://www.gov.uk/government/publications/department-for-communities-and-local-government-appraisal-guide>



New Anglia Local Enterprise Partnership Board

Wednesday 25th October 2017

Agenda Item 9

Sector Development: Digital Creative Industries

Author: Madeleine Coupe

Summary

The board is invited to consider £66,450 financial support from Enterprise Zone Pot C for the Digital Creative Industries (DCI) Group, alongside support from the private sector and Norwich University of the Arts (NUA).

The funding will enable the group to set up and pilot a full-scale trial of an internship scheme benefitting SMEs and micro-businesses in the DCI sector.

Background

The Economic Strategy identifies nine priority sectors for the LEP and in most cases sector groups have been the primary point of reference and voice for these sectors. Sectors are at the core of the LEP's work and key to driving economic growth in Norfolk and Suffolk

The strategy highlights how DCI is fast-growing, high value and important in driving productivity in all sectors and identifies clusters of excellence in Norwich and Ipswich. This project supports the ambition within the Economic Strategy to develop *Competitive Clusters Close to Global Centres*, and the commitment to 'develop the ecosystem that enables the cluster to thrive.'

Digital Creative Industries are a focus of national policy and subject to an early sector deal in the Industrial Strategy in recognition of the value and opportunity of the sector to UK PLC, not only as a sector which has seen consistent growth, but also as an enabler which raises productivity in other sectors, and in asserting that the UK is a creative and entrepreneurial place to invest.

ICT and Digital Creative is worth £1.4bn to the economy of Norfolk and Suffolk and employs 24,400 jobs. The GVA per job is above average at £58,100, and has seen a growth in jobs, GVA, and productivity since 2010, illustrating the high value of the sector and further potential for growth.

The sector is characterised by start-ups and SMEs, which creates specific challenges in supporting these high-growth businesses to reach their potential:

- The sector suffers from 'leakage' of graduates leaving the region to start careers in London and Cambridge.¹

¹ In 2016, 21% of those who graduated in Norfolk were working in London and the South East, HESA Graduate Destinations, 2016.

- Businesses in the DCI sector have identified the risk and complexity of taking on newly graduated employees as a major barrier to scaling-up a small team. They are often driven by creative practitioners, whose skills are in their own specialism rather than business or HR management.
- Businesses identify the need for employees with diverse skills. Large employers recognise this need and offer structured graduate programmes, but SME employers do not have the resources to offer this structured approach.
- For small DCI businesses, talent is the key investment needed for scaling-up. This means they are often not eligible for funding through usual business support programmes, which focus on capital investment as an enabler of growth.

The New Anglia Sector Skills Plan for Digital Tech states that the SME community struggle with the resources to take on trainees or apprentices and recommends that deeper partnerships between education and industry are developed in order to tackle this barrier.

Achievements to date: Creative Internship (Pilot) and PROFILE

Developed in response to the challenges outlined above, Norwich University of the Arts (NUA) worked with the DCI group to undertake a very small scale pilot of the concept of a centrally delivered internship scheme. This was funded by NUA at a cost of £16,000.

In addition to the pilot, NUA has been working with the DCI group to develop PROFILE, a unique, gamified skills tool which enables graduates to understand and build on the soft skills identified by DCI employers. The system works as a series of physical card games, backed up by a digital resource to record and evidence an individual's progress across the Top 10 Skills identified by businesses such as BBC, Big Dog, Tin Can and Lambda. The PROFILE system has been beta-tested and is now being rolled out across NUA's student and graduate communities and in the process of being made a registered trademark.

Given the success of both the small scale pilot and PROFILE, the DCI group are now seeking investment to pilot, test and evaluate a full-scale trial of the internship scheme, to prove the concept and evaluate the benefits for the sector. A number of other sectors have expressed any interest in the scheme, such as Hethel Innovation and the University of Suffolk.

The Project: Creative Internship

The project would see NUA providing a centrally coordinated internship scheme for the benefit of businesses in the DCI sector.

NUA would employ 15 graduates on a fixed-term, 12 week contract, taking on the responsibility for HR for the employee.

The interns are 'loaned' to the host business for the period of the scheme, returning to NUA's Ideas Factory for 'Base Camp', a structured skills-build and mentoring programme based on the PROFILE system. As the interns progress through the internship, they build the evidence of their skills acquisition from real business experience and are mentored in relation to feedback from their 'host' business about their performance.

The 'host' business make a contribution to the cost of the intern and given the opportunity to offer ongoing employment at the end of the 12 week period.

The businesses benefit, as they are able to test the impact of new skills to their business in emerging areas, such as User Experience design, Virtual Reality and Augmented Reality without the risk of taking on a new member of staff. Businesses with more diverse skills may be able to access a client base which may otherwise seek services outside of the region.

Graduates with specialist skills will benefit as they will be offered a way of developing workplace literacy and real world business experience, enabling greater retention of talent in

the region. This is a key issue for the sector, which sees much knowledge and talent move out of the region.

Outcomes:

The project is projected to deliver:

- 15 creative internships
- 7 employed roles at the end of the internship with the host businesses
- The development and delivery of a bespoke 12 week skills training and mentoring programme which can be adapted and adopted by other sectors.
- Digital support materials
- A scheme open to graduates of any HEI, openly advertised through existing networks such as Hot Source, TechEast etc.
- A fully tested and evaluated model which can be rolled out across other sectors.

There are already 14 businesses ready to take part and a high level of support from the sector who have written letters of support.

The scheme would be open to graduates from across the region, and business will be engaged from across Norfolk and Suffolk, provided the intern can travel to Ideas Factory on a weekly basis to attend the 'base Camp' training.

Financial Summary:

Norwich University of the Arts is making this bid on behalf of the Digital Creative Industries Group, acting as the accountable body. The headline figures given in the table below are to run the internship programme.

EXPENDITURE	COST (£)
Marketing of the scheme	1,000
NUA resource to develop, run and evaluate the programme	29,990
Development of the digital resources required for the training programme	10,200
Intern salaries	56,250
TOTAL	97,440

INCOME	COST (£)
Business contribution	22,500
NUA (in-kind)	8,490
New Anglia LEP contribution	66,450
TOTAL	97,440

Financial request

The board is invited to consider £66,450 financial support for Digital Creative Industries Group alongside support from other partners.

Strategic fit with the Economic Strategy

The project aligns well with our new economic strategy, directly supporting four of our five priority themes – Competitive clusters close to global centres, Driving inclusion and skills, Collaborating to Grow and Driving Business Growth and Productivity.

It also indirectly supports our other theme – Our Offer to the World.

Resource implications for the LEP

The project is appropriate to be funded from the LEP's Enterprise Zone Pot C. This comprises income raised from business rates generated from businesses in our Enterprise Zone sites.

Pot C is the proportion set aside for the LEP to support the delivery of the economic strategy.

Currently Pot C has an available balance of £205,000, and it is proposed that the contribution is taken from this source.

The remaining balance from Pot C will be rolled forward to include income from the 16/17 financial year. This new figure will be confirmed by the end of the calendar year and proposals to utilise the funding will be presented to the LEP board in March as part of wider proposals for the LEP budget for 2018/19. This is in line with the process for the use of Pot C agreed by the board at its meeting in January.

Recommendations

The Board are invited to:

1. Consider making £66,450 investment towards sector development in the DCI sector, enabling a further £30,990 to be leveraged from other partners.
2. If the funding requests are supported the board is invited to ask the LEP executive to develop a funding agreement to ensure the proposed outcomes are realised.

Overview

This section provides a snapshot of main LEP team activity since the September board meeting



Economic Strategy implementation

Good progress continues to be made on the endorsement of the Economic Strategy by partners.

Work is now starting on the implementation of the strategy, beginning with the review of LEP programmes and a planned first round of the new Capital Growth Fund.



Growth Deal

The Growth Deal project, The Eastern Relief Road in Bury St Edmunds has now been formally logged as completed, following the official opening. Work continues on the adjacent roads and junctions.

Growth Programme- Small Grant Scheme

The Small Grant Scheme continues to perform above monthly award targets and is on track to achieve outputs including private sector match to support the delivery of the overall Growth Programme. Over £1m of private match has been generated by the scheme in October, exceeding the monthly target of £750k

New Anglia Capital

The most recent ACG pitching event, held on the 4 October, included 6 new pitches, 5 of which were from Norfolk and Suffolk companies. There was interest in a number of the pitches, including NovoFarina, based at NRP.

Growing Places Fund

The legal process on the Winerack is approaching its conclusion, with the exchange of contracts anticipated on the 18th October. Drawdown of the loan could commence soon after, subject to any conditions and the loan drawdown procedures.

More details on the delivery of individual LEP programmes can be found in the Business Performance Reports



Media coverage

The opening of the Bury St Edmunds relief road and our £20million business support announcement generated positive media coverage this month.

The link to the draft new New Anglia LEP website has been circulated to staff and the board, with plans for the site to be live in time for the October board meeting.

More information can be found in the Business Performance Reports.



Finance

Management accounts for period ended 30 September 2017 – year to date income is £629k with an operating surplus of just over £105k, this is ahead of budget by just under £94k

Operating cash balance is £434k which is in line with management expectations

The LEP's financial statements to 31 March 2017 were adopted at last month's annual general meeting and have been filed at Companies House. They are also published on our website. More information can be found in the finance report.

LEP actions and activity

This section provides a detailed update on other activities and key issues since the September board meeting



Delphi Diesel Systems

Chris Dashper led a visit by members of the South Suffolk Taskforce to Delphi in Sudbury on 3 October, following their announcement of a phased closure of the site by 2020 earlier this year.

The decision, which is based around a forecast fall in domestic diesel vehicle manufacturing in Europe from 10m units currently to 8m units by 2022 affects some 510 employees in Sudbury. With this drop in the market the company cannot sustain 4 plants in the UK, even though the impact is on the domestic car market and the Sudbury site exclusively serves the commercial diesel sector. Manufacturing will largely be located to other UK sites and all car engine parts manufacturing will be based in Romania where the company already has an engineering plant. Plants in Barcelona and La Rochelle have also been closed in the last couple of years.

The site in Sudbury is around 30 Acres and the main building some 25,000sqm. Opened in 1962 it is the oldest of the UK sites owned by Delphi, which include Gillingham, Stonehouse in Gloucestershire and a technical centre in Acton. At one time the site would have had around 2,500 employees and has legacy facilities that reflect this, including an on-site sports and social club now run as a CIC.

The company prides itself on manufacturing prowess and quality, supplying diesel injectors for Volvo and Daimler commercial engines. The parts failure rate is just 5 parts per million, with a significant investment in machinery over the years in the Sudbury plant to achieve these results. There are around 300 CNC machines and complimentary equipment on site.

There is limited impact on the local supply chain from the closure, most parts and materials are sourced from Germany. However, a number of early leavers of the company have found employment locally in skilled roles for other advanced manufacturing companies.

Delphi would prefer to dispose of the property as a going concern to re-industrialise the building and preserve local jobs and skills. The building does require significant upgrading including a new roof. Delphi would be willing to sell and lease back until closure or alternatively they will look at other uses and have been advised to discuss and feed into the emerging local plan with Babergh/Mid Suffolk.

A favourable support package has been put together for the workforce, including a significant financial offer for most employees and a package of support measures on retirement, job search, self-employment, financial investment and retraining as appropriate.

New Anglia LEP and the South Suffolk Taskforce continue to offer support wherever possible, with a meeting of the taskforce scheduled for the 20 October to discuss further.



Ely North Junction

Doug Field and Chris Starkie participated in a meeting with Transport Secretary Chris Grayling to discuss future Government funding for rail infrastructure improvements to the Ely area. The delegation was led by Chief secretary to the Treasury and South West Norfolk MP Liz Truss and included fellow MPs from Norfolk and Suffolk as well as representatives from the GCGP LEP, Kings Lynn and West Norfolk Council and the rail industry.

New Anglia LEP with GCGP and the rail freight industry are together funding the outline business case which will take the project to “shovel ready” state by mid-2019. At this point the delivery of the project can be funded by Network Rail.

Mr Grayling confirmed the Ely scheme was a national priority for Control Period 6 – which is the period from 2019 to 24 and all parties resolved to do whatever was needed to ensure work could start as soon as possible at the beginning of CP6.



BEIS national review of laboratories

BEIS is conducting a review to see whether there is more than can be done to leverage government and research council laboratories to drive local growth.

The review, led by Dame Julia Goodfellow, focused on a small number of institutes across the UK including the John Innes Centre, Quadram Institute and Earlham Institute, all on the Norwich Research Park.

As part of the review Chris Starkie gave a presentation to the review team and senior figures from the laboratories on the LEP’s new economic strategy and in particular how the NRP was a key cluster in the strategy.



Housing Infrastructure Fund

The LEP supported a number of bids from our local authorities to the Government’s new Housing Infrastructure Fund.

The fund is a government capital grant programme of up to £2.3 billion, which will help to deliver up to 100,000 new homes in England. Funding will be awarded to local authorities on a highly competitive basis, providing grant funding for new infrastructure that will unlock new homes in the areas of greatest housing demand.

Funding is being allocated under two streams:

‘Forward Funding’ will provide grants of £10m to £250m for ‘strategic and high-impact infrastructure schemes’ giving the ‘market confidence to provide further investment’. These grants must be applied for by an upper tier authority.

‘Marginal Viability Funding’ will provide grants of up to £10m for ‘final, or missing, piece (sic) of infrastructure’ to get ‘existing sites unblocked quickly’ and must be applied for by a district council.

Guidance from the Home and Communities Agency New Anglia LEP were:

Suffolk

- A12 corridor (Suffolk County Council)
- Former Fisons Building, Bramford (Mid Suffolk District Council)
- HMS Ganges site, Shotley (Babergh District Council)
- Ipswich Garden Suburb (Ipswich Borough Council)

Norfolk

- Anglia Square, Norwich (Norwich City Council)
- Fakenham Urban Extension Scheme (North Norfolk District Council)
- Greater Norwich: North East Growth Triangle (Norfolk County Council/Broadland District Council)
- Land south of A11, Cringleford (South Norfolk District Council)

South East King's Lynn Strategic Growth Area - West Winch (Borough Council of King's Lynn and West Norfolk)

Thetford Sustainable Urban Extension (Breckland District Council)

Waterfront, Great Yarmouth (Great Yarmouth District Council)

Other Applications

In addition to the above, the following additional submissions were made by Suffolk County Council and Norwich City Council – which were also supported by New Anglia LEP:

A14 Junctions 43 and 44 – Bury St Edmunds

Ipswich Northern relief road - alleviates congestion pinch points across the network - unlocking further growth and providing an alternative route for strategic traffic.

The Deal Ground and Utilities site, Norwich (supports direct delivery of 670 new homes and indirectly supports delivery of 2,000 new homes).

Local authorities are expecting to hear later this year if they have been successful.

Venturefest East

New Anglia LEP supported this year's Venturefest East event, which took place in Newmarket on 21 September. This full day of conferences, workshops and pitching sessions was attended by about 500 businesses. Local representation included a conference session led by the UEA's Fiona Lettice, track sessions from TechEast and Hethel Engineering and investors from New Anglia Capital taking part in the What Investors Want and Elevator Pitching sessions.

The event also saw the launch of the East of England Science and Innovation Audit by Business Minister Lord Prior.

MIPIM UK

MIPIM UK – the UK's largest property showcase - took place at Olympia in London on 18 and 19 October.

We exhibited under The East banner with Norfolk and Suffolk local authorities to publicise the region and to promote a pitch book of 27 development sites.

The pitchbook and sites are all available at www.newanglia.co.uk/investeast or on the Inward Investment page of the new website.

Norfolk Chamber of Commerce Annual Economic Breakfast

Doug Field presented at the Chamber's annual economic breakfast event in Norwich on 4 October, introducing the themes and ambitions in the new economic strategy, which was very well received.

Ipswich Waterfront Innovation Centre first birthday

IWIC, which was part funded through the LEP's Growth Deal, marked its first birthday on 4 October. Jeanette Wheeler spoke at the event, promoting the launch of the new Suffolk Centre for Female Entrepreneurship at IWIC, which will provide mentoring and support for women starting their own businesses.

Inside Government – national event

Chris Starkie represented the LEP as a speaker at a day-long event organised by Inside Government entitled Maximising Business Opportunities for Local Authorities. Chris gave an update on the LEP's Enterprise Zones, including the innovative investments being made by us and our local authority partners. He also talked about funding to business through our Growing Business Fund and the work of the Growth Hub.



Other Engagements

Other speaking engagements Chris Starkie has carried out on behalf of the LEP since the last board meeting included addressing delegates at the Local Flavours trade event at the Norfolk Showground, which brings together dozens of local suppliers from the food and drink sector to meet potential buyers from the retail and catering sectors. He also spoke at the regional meeting of Railfuture in Norwich, a group which campaigns for improvements to rail infrastructure and services. Chris brought the group up to speed with the LEP's rail campaigns including the Great Eastern Mainline taskforce and Ely taskforce work.

Recruitment

Work continues to complete our round of recruitment to strengthen the executive team's capacity to oversee the delivery of the new Economic Strategy and delivery of LEP programmes which support the strategy.

Ellen Goodwin has been appointed as the LEP's new infrastructure manager. She will be responsible for managing our work around infrastructure including transport, housing, digital and flood defences. She joins from Norfolk County Council where she has been playing a key role in the Greater Norwich Development Board work around infrastructure development and delivery.

Interviews are continuing for our funding and growth manager role and the maternity cover for the innovation and sector manager post, with appointments due to be confirmed shortly.

The recruitment process being followed is ensuring that appointments we make will give us a broader range of skills from the private and education sectors as well as the public sector.

Recommendation

The board is invited to note the contents of this report.

**New Anglia Local Enterprise Partnership
Wednesday 25th October 2017**

Agenda Item 13.

Business Performance Reports – October 2017

Contents

No.	Title	RAG Status	Frequency	Date of Next Report
1.	Growth Deal	Green	Monthly	November
2.	Growth Programme		Monthly	November
3.	Growing Places Fund – Confidential		Monthly	November
4.	New Anglia Capital	Green	Monthly	November
5.	Media		Monthly	November
6.	Sectors	Green	Quarterly	January
7.	Skills	Green	Quarterly	January
8.	Green Economy Partnership	Green	Quarterly*	November
9.	Enterprise Zone	Green	Quarterly*	January
10.	Great Eastern Mainline		When Required **	
11.	Local Transport Body		When Required **	

* Produced quarterly or when there is a significant update to report

** Produced when there is a significant update to report

Growth Deal - New Anglia LEP's total Growth Deal from Government is £290m to 2021. It is estimated to create at least 16000 new jobs, 3000 new homes and to generate an additional £240m public and private investment.

GREEN

Growth Deal Spend in 2017/18	Amount	Change
Government allocation <i>(This is the government allocation of funding for 2017/18).</i>	£41.334m	
Spend paid to projects <i>(Note that a project can only be paid once the project has a legal agreement in place and has provided evidence of eligible expenditure.)</i>	£2.6437m	+£1.0857m
Projects with legal agreements in place <i>(This is projects with legal agreements in place which allows them to claim spend when ready.)</i>	£19.2913m	-£1.0857m
Projects with legal agreements pending <i>(This is projects with legal agreements not yet in place, they therefore cannot be paid any funds).</i>	£13.242m	-£2.3m
Under allocation <i>(This is the amount of funding that has not been allocated in the current financial year. This is due to slippage on a number of projects. To address this we are exploring options to bring forward spend on other projects).</i>	£6.157m	+£2.3m

Update on Live projects

Work is progressing well, with 21 live projects/programmes and 11 projects now complete. Work is underway on developing legal agreements for new projects, including those allocated funding under the third round of Growth Deal. Currently, one project has 'red' status and five six have 'amber' status. In the majority of cases 'amber' flags up minor points to be resolved before a grant agreement can be issued.

Status of projects:

Note: amounts given below in brackets refer to the total Growth Deal grant amount, with 19 of the current projects being delivered over multiple financial years.

Red: Ely Area Rail Enhancement Scheme (£3.3m)- the initial scoping work is complete following Local Transport Body and then LEP Board approval in March 2017. However there has been a delay to getting the legal agreement finalised, due to challenges with the availability of GCGP LEP's funding. This has delayed the delivery timetable. A plan to agree the contracts is underway as a matter of urgency.

Amber: East Coast College Energy Skills & Engineering Centre (£10m) – the LEP Board approved this project in May 2017. It is intended that works will start on site in autumn 2017 for opening in September 2018. The project is 'amber' whilst undergoing due diligence and the legal agreement process.

Amber: Great Yarmouth Third River Crossing (£2m)- Strategic Outline Business Case was submitted to DFT, with a decision expected this autumn. The LEP's contribution is toward developing the detailed design work and secure the necessary statutory processes to enable construction. Business Case was agreed by the Local Transport Body in June 2017. The project is 'amber' whilst awaiting DFT (imminent) decision and support for further stages of the project.

Amber: Norwich Area Transportation Strategy - City Centre Package (£7m)– works in progress with the Westlegate/ All Saints Green pedestrianisation completed and launched in July 2017. The project is 'amber' as there is slippage on two of the schemes, which is being closely monitored.

Amber: Norwich Area Transportation Strategy A11 Corridor (£4.175m)– work in progress. The project is 'amber' as there has been slippage in delivered due to an unexpected requirement for land acquisition (for cycle way) & changes to parking restrictions.

Amber: West Suffolk College Engineering and Innovation Centre (£7m)– Phase One is complete, the premises & site has been acquired using Growth Deal funding. Phase Two is now focusing on refurbishment of the building. The project is in 'amber' as there was delay in occupying the building. In the meantime the detailed application form is in development for submission for consideration by the Skills Board in November 2017 and LEP Board in January 2018.

- Green: A47/A1074 Longwater Junction, Norwich** (£2m)– the project is on track to be delivered by 2019 with the remainder of the LEP funding to be claimed in the current financial year.
- Green: Attleborough Sustainable Transport Package** (£4.6m)– minor slippage has occurred however it is proposed to make up for this slippage in the current financial year.
- Green: Beccles Southern Relief Road** (£5m)– works started in August 2017 and is expected to take one year to complete.
- Green: Bury St Edmunds Sustainable Transport Package** (£2.25m)– the detailed feasibility and design work is underway. Four schemes had been identified and work started Summer 2017, scheduled to finish April 2018.
- Green: Great Yarmouth Rail Station Interchange** (£2m)- detailed design work is now complete, following public consultation. Works beginning Autumn 2017.
- Green: Great Yarmouth Transport Package** (£8.8m)– design and works are now on track, following delays due to extensive consultation regarding other projects in the town. Some schemes were completed under budget and the project has been re-profiled. A proposal will be taken to the Local Transport Body in late 2017 for additional schemes, to be funded from the underspend within Great Yarmouth.
- Green: Growing Business Fund** (£25.3m)– in progress (See BPR on the fund).
- Green: Growing Places Fund** (£20m)– in progress (See BPR on the fund).
- Green: Ipswich Cornhill** (£1.6m)–new plans have been drawn up following extensive public consultation and the project is moving towards submission for planning permission.
- Green: Ipswich Transport Package ('Ipswich Radial Corridor')** (£3.5m)– the project is on track with works underway on two sites and development underway for further schemes.
- Green: Lowestoft Flood Alleviation Scheme** (£10m)-the project is on track. The Strategic Outline Business Case has been endorsed by the Environment Agency and Waveney District Council. Detailed design is now in progress with a view to a final business case being approved in March 2018.
- Green: Norfolk & Suffolk Broadband programmes** (£5m for each programme)– Norfolk and Suffolk County Councils' programmes to extend coverage are on track. The LEP's financial contribution has been claimed in full.
- Green: Norwich Northern Distributor Road** (£10m) –the works are progressing well and the project is on track for completion in February 2018. The LEP's financial contribution has been claimed in full.
- Green: South Lowestoft Industrial Estate** (£2.5m) – Phase one was completed with site acquisition utilising Growth Deal funding. Phase two is now underway, the industrial units on the site now are under construction.
- Green: Thetford Transport Package** (£2.3m) – works in progress. Minor slippage has occurred and the project has been re-profiled accordingly.



Completed projects

Easton & Otley College (£2.5m) – the new construction training centre was completed in November 2015, making it the first Growth Deal project in the country to be completed. In November 2016 the Fabric First Institute was launched at the College. This provides facilities to upskill the construction workforce and train new workers in low energy building methods.

Ipswich Wet Dock Crossing Feasibility Study (£2m)– the study was submitted to the Department for Transport on 24/12/15. Funds to cover the LEP's funding have now been drawn down in full. Work is now underway on the full design, following the Government's Spring budget (2016) announced funding towards the full capital project.

Lowestoft Third River Crossing Options Assessment (£2m)– the study was submitted to the Department for Transport on 29/12/15. The LEP's funding was drawn down in full. Work continues on the full design.

King's Lynn Innovation Centre (£0.5m)– the new centre was completed in June 2016. It provides a state-of-the-art business hub designed to support the needs of ambitious, innovative businesses looking to grow in the local area.

College of West Anglia (£6.5m)– the new university centre is complete, and was launched on 22nd October 2016.

Ipswich Waterfront Innovation Centre (£1.85m)– the refurbished building and new Innovation Centre is complete, with a launch event held on 3rd October 2016.

Lynn Sport Access Road (£1m)– construction of the road is now complete. Works have started on the housing sites adjacent to the road.

Sudbury Western Bypass Study (£0.1m) –the study was published on 20 March 2017. It shows that a relief road to the west of Sudbury would cost approximately £40 million with a benefit to cost ratio of greater than 3. Suffolk County Council are seeking further funding to develop a more detailed business case that would support a bid to government to deliver the bypass. Funds to cover the LEP’s contribution have been drawn down in full.

International Aviation Academy at Norwich (£3.3m)– the new aviation academy building was opened in April 2017, with teaching on a variety of aviation related subjects taking place in the building. An official launch took place in August 2017.

Felbrigg Junction Improvement (£0.042m) – the works, to construct a new roundabout at Felbrigg on the A148, are now complete with a launch event held on 15 June. The work is will make a significant improvement to this very busy junction and was made possible with funding by 12 organisations and businesses.

Bury St Edmunds Eastern Relief Road (£10m)– the road was opened on 25 September 2017, providing access to the 67 acres of new business park and sites for new homes.

Outputs

The table below outlines progress on the Growth Deal projects and programmes (including the Growing Business Fund and Growing Places Fund that are funded by Growth Deal). This does not include Growth Deal Three projects and programmes, as these are still in development.

Output	Actuals to date	Target to date	% of target met to date	Gov target to 2021	% of target met
New jobs	619	714	86%	16000	3%
New homes	176	40	440%	3000	6%
Apprenticeships	129	112	115%	350	37%
Learners	292	524	56%	500	58%
Public & Private sector investment	£149.8m	£201.1m	74%	£240m	62%

*The ‘to date’ figures include the last three financial years, i.e. 2015/16, 2016/17, 2017/18.



Slippage on the Growth Deal

Likelihood – High Impact – Medium

There is a risk that total spend will not be achieved within the financial year, due to minor slippages in these complex large scale projects. An under-allocation for the current financial year has been identified. The recent de-allocation of funding to the Snetterton Power upgrade project has increased this.

Mitigating Activity: Work is being undertaken to bring spend forward on projects wherever possible, and a capital swap is being explored. Regular monitoring of spend is undertaken, with formal reviews of spend to be undertaken by the Performance and Risk Committee throughout the financial year, the first one occurred in September. Work on 2017/18 legal agreements is underway, including those allocated funding through the third round of Growth Deal.

Determination for future years of Growth Deal is not issued

Likelihood – Medium Impact – High

New Anglia LEP’s Grant Determination letter from government is only received annually for the current financial year. There is therefore a risk that projects which run over more than one financial year will not have assurance of funding.

Mitigating Activity: We understand from government that funding will continue to be received on an annual basis. We therefore closely monitor and manage spend and all projects are aware that funding is confirmed on an annual basis.

LEP Executive Lead – Emily Manser

LEP Executive Lead – Jason Middleton

The New Anglia Business Growth Programme is the headline under which the LEP operates its direct business support programmes. Programme activity started in early 2013 and is made of the following areas of activity, funded by a number of funding streams, including Growth Deal, BEIS and ERDF: -

- New Anglia Growth Hub – Providing face-to-face business support for SMEs
- Start-up Programme – Providing support to individuals to start a new business
- Small Grant Scheme - Grants between £1,000 and £25,000 at 20% to SMEs
- Growing Business Fund – Grants between £25,000 and £500,000 at 20% to SMEs
- Oil and Gas Support Scheme – Grants to the businesses affected by the downturn
- Eastern Agri-Tech Initiative – supporting R&D and growth grants for the Agri tech sector

New Anglia Growth Hub

Initially launched in June 2014, as a 12 month pilot via the Wave Two City Deal and delivered by Suffolk Chamber of Commerce. The Growth Hub is currently supported via a successful the ERDF application, that runs until September 2018.

Growth Hub	Target to April 2018	Delivered to date	Change since last report	Delivered to date %	RAG
Businesses engaged with Hub	7,530	6,667	+114	88.5%	Green
In depth support (12 hours or more)	1,667	1,447	+14	86.8%	Green
Total hours of support (All businesses)	-	31,037	+329	-	Green
Calls our Local 0300 Helpline	-	5,095	+717	-	Green
Events participated by Growth Advisers	-	707	+14	-	Green

The Growth Hub is recognised by government as one of the best performing hubs in the country. This is particularly due to the emphasis on providing ‘in-depth’ support, promoting a range of grants, including LEP products, alongside business advice and signposting to other opportunities.

Start-Up Programme

Starting in March 2014, the start-up programme provides a range of support, including workshops and face-to-face support, to individuals to start their own business and businesses during the first year of trading. The programme is delivered by Nwes in Norfolk and East Suffolk, and Menta in West Suffolk.

Start-Up Programme	Target to April 2018	Delivered to date	Change since last report	Delivered to date %	RAG
New business start-ups created/new enterprises supported	975	632	+64	64.8%	Green
New Full-time jobs created	1,170	694	+38.5	59.3%	Green

Demand for start-up support has grown and currently exceeds the level of support provided by the programme. It is anticipated that the programme will perform ahead of target by the end of March 2018.

Small Grant Scheme (formerly the Micro Grant Scheme)

The Small Grant Scheme was launched in August 2016 and the scheme provides both capital and revenue grants between £1,000 and £25,000 at a 20% intervention rate to SMEs seeking to grow and expand, take on new staff, introduce new goods or services or become more efficient. Applications to the scheme are supported by the New Anglia Growth Hub.

	Target to April 2018	Awarded to date (to be awarded)	Change since last report (awarded)	Delivered to date	Delivered to date %	RAG
Small Grant Scheme						
Number of grants awarded	145	81 (64)	+11	20	13%	Amber
Value of grants awarded	£1.24m	£654k (586k)	+£109k	£77k	6.2%	Amber
New to the firm products introduced	19	35	+1	5	26.3%	Amber
Private sector match funding	£4.97m	£3.032m (£1.938m)	+£750k	£380	7.6%	Amber

To mitigate the significant issues faced in the first year of the delivery of the programme, in June 2017 DCLG approved a grant level increase from £10k to £25k, alongside a simplified application process for grants under £10k with a five to ten day approval process.

The changes to the scheme were implemented in mid-June 2017 with an immediate and positive impact on the SGS. As significant increase has been seen in the number of applications coming forward. Over the 3 months from July to September an average of £169k of grant has been awarded per month, generating an average £796k of private match per month.

The SGS is currently supported by a proactive marketing campaign overseen by the Growth Programme Marketing Group. Databases of over 60,000 incorporated local business details and nearly 25,000 unincorporated businesses are now available and will be used to be target businesses to promote the availability of the SGS and the Growth Hub services. A series of Business Support 'Roadshows' are currently underway to further promote the Growth Hub and the grants, including all LEP SME support products. A Marketing & Communications Coordinator for the Growth Hub is now in post and the recruitment of an Events Coordinator post is currently underway.

Growing Business Fund

Growing Business Fund	Target to April 2018	Awarded to date	Delivered to date	Monthly change	Delivered to date %	RAG
Number of grants awarded	-	361	336	+1	-	-
Value of grants awarded	£21m	£18.53m	£16.8m	+£331k	88%	Green
Private sector match funding	£84m	£99.1m	£90.6m	+£2.984m	119%	Green
New Full-time jobs created	1422	2255	1471	+48	103%	Green

Launched in April 2013, the Growing Business Fund now provides grants between £25,000 and £500,000, usually at interventions of up to 20% to SMEs across the LEP area. Funding for the scheme has come from a range of sources, including £12m from the Regional Growth Fund, £1.66m from Wave Two City Deals, & £25.57m from the Growth Deal by 2021 (£3.7m for 17/18).

The GBF panel meeting held in October 2017 approved 1 application from a medium sized company for a grant in excess of £330k, to create 48 new jobs. The private match funding for the project will be almost £3m. The total paid and committed for 2017/18 now stands at £2.33m.

Oil and Gas Support Scheme

Comprising of two schemes (a 50% grant of up to £3,000 for companies to undertake a health check and access to the Growing Business Fund, with grants up to £100,000, including safe guarding existing jobs at £10,000 per job). We have seen a reduction in the number of companies coming forward for support, however, we have kept the scheme open and continue to encourage potential applicants to come forward.

Oil and Gas Support Project	Activity to date	Approvals to date	RAG
Number of Enquiries	34	-	Green
Number of Visits to companies	27	-	Green
Business diagnostics undertaken	17	-	Green
Applications for Consultancy Scheme	10	6	Green
Applications for GBF Fund	11	6	Green

Eastern Agri-tech Initiative

Launched in April 2014 as a £3.2m RGF funded scheme, and operated by Greater Cambridge Greater Peterborough LEP, in partnership with New Anglia LEP. The scheme supports the development of new innovative ideas to support the Agri-tech sector via an R & D grant of up to 50% (no jobs required) An additional growth grant is also available for Agri tech businesses showing new ways of working and introducing new technologies. This grant has an intervention rate of 25% and requires jobs to be created. The most recent award in the New Anglia area was made in September to Hirst farms at Ormsby near Gt Yarmouth to research growing blueberries in East Anglia.

The Agri-tech scheme was allocated additional funding in April 2016 of £2m, (£1m from GCGP's Growth Deal and £1m from New Anglia LEP Growing Places fund) to continue the programme. There is no job creation associated the R&D projects and most job creation is reliant on "Agri Gate" project, based at Hasse and managed by NIAB. The first draft of a business case for a request for further financial support from New Anglia LEP was received in late September 2017.

Agritech	Target to April 2018	Awarded to date	Delivered to date	Delivered to date, %	RAG
Number of grants awarded	-	68	42	-	-
Value of grants awarded	£4.6m	£5.00m	£3.2m	70%	Green
Private sector match funding	£11m	£10.74m	£6.1m	55%	Green
New Full-time jobs created (inc safe guarding)	702	685	463	66%	Green

Growth Programme Risks

The following key risks have been identified relating to the programme and its delivery: -

- 1) A lack of businesses requiring support via the Growth Hub.

Likelihood: Low **Impact:** Medium

Mitigating Activity – Demand for Growth Hub support is very high and with the loss of the Business Growth Service BIS have confirmed that Growth Hubs are key to delivering business support, which will increase demand over time, particularly for ‘in-depth’ support.

- 2) A lack of private sector match funding to enable the drawing down of ERDF funding.

Likelihood: Medium **Impact:** High

Mitigating Activity – Comprehensive marketing campaign to promote the scheme, procurement of a Norfolk and Suffolk business database in order to proactively contact potential grant applicants, recruitment of additional Business Growth Advisers to support grant applicants.

This dashboard shows outcomes and impact of communication through owned media – the information which we control and issue ourselves – and earned media – published by third parties based on information which we have provided.

Outcomes

Owned media – social media and e-newsletters

	September	August
Average Twitter engagements per day per month (likes, retweets, expansions etc.)	18	22.1
Number of Twitter followers	6,410 (up 88)	6,322
Members in LinkedIn group	2785 (up 13)	2772
Monthly e-newsletter open rate	21.7%	21.9%
Average click-throughs from monthly e-newsletter	15%	9.6%

Earned media – coverage achieved through external sources

	This month	August
Coverage of our press releases achieving coverage in target media list (EDP, EADT, Lynn News, Ipswich Star, Bury Free Press, BBC, ITV)	100%	100%
Average coverage achieved per press release	2.1 articles	2.5 articles

Impact

Top Tweet – received 199 engagements




We received significant media and online coverage of the opening of the Bury St Edmunds Eastern Relief Road. Other partners attending the launch (West Suffolk DC and Jo Churchill MP) also joined the engagement with us on Twitter.

Most clicked article from monthly e-newsletter – received 86 clicks

New chairman welcomed at AGM

We're pleased to welcome Doug Field, joint chief executive of East of England Co-Op, to the role of chairman of New Anglia LEP.



Doug succeeds Mark Pendlington, who officially stood down after three and a half years in the role, at our AGM on 20 September.

Doug Field speaking at the New Anglia LEP AGM

Find out more about our Board and how we work

The most clicked article was about Doug Field becoming the new chairman of the LEP.

The click took readers to the governance and decision making FAQs on our website.

The e-newsletter also included our £20 million milestone for business support, details about our roadshows, the 50 business milestone for our Youth Pledge Marque and an Enterprise Zone case study.

Media coverage




business pages 35-38

Event brings together region's innovators as key audit launched

'Economic outlook for Norfolk and Suffolk'

New Anglia LEP's new economic strategy aims to generate 88,000 jobs by 2036

Media coverage generated by our own press releases included the new Economic Strategy, RESI housing conference, the new Ipswich Vision logo and the Bury St Edmunds Relief Road.

The Venturefest East event received coverage in regional print media and on BBC Look East, who attended the event.



National housing summit

A housing summit on the promenade in Great Yarmouth.

Coastal regeneration will be on the agenda as development sites across Norfolk and Suffolk are showcased for potential investors at a national housing conference.

The RESI conference, which is taking place in south Wales, brings together construction firms, developers and local authorities.

New Anglia Local Enterprise Partnership's managing director Chris Starke will join a panel session called "Time to look again at coastal communities", discussing regeneration and property opportunities in coastal towns, and the important role local authorities can play.

The sites being promoted include the mixed use waterfront projects in King's Lynn and Great Yarmouth.

Mr Starke said coastal towns from north Norfolk to Felixstowe "present opportunities for creative and innovative developments", and he was keen to meet potential investors.

Picture: JAMES BASS



Students add talents to Ipswich Vision

National geographic design students of the University of Suffolk have put their paper to rest as they have signed up to a new project – the Ipswich Vision.

The Ipswich Vision Institute commission students to create a new strategic plan for the town and its future. The plan will be used to guide the town's development and to attract investment.

The students have been working on the plan for several weeks. They have held several meetings and have been working closely with the Ipswich Vision Institute.

Mr Starke said the students' input is a great asset to the town and its future. He said the students' ideas are innovative and creative, and he was keen to see them put into practice.

IPSWICH VISION

We achieved coverage across our priority areas – with Infrastructure (38%) being the most prominent by a significant margin, due to the progress of many of the infrastructure projects such as the Bury Relief Road and the NNDR.

Sectors are at the core of the LEP's work. Our sectors are key to driving economic growth and stimulating innovation. Working together, sharing information and ideas we can achieve the growth in our sectors that will deliver the ambitions of the SEP.

Sector Skills Plans

Work on the sector skills plans is progressing well with a number of them currently underway and more soon to be initiated. The Food, Drink and Agriculture Board have endorsed the plan, and agreed to drive forward the recommendations. It will now progress to the Skills Board. Life Sciences and Bio-tech is well advanced with a final draft available for approval soon. The Cultural Board have been briefed and ready to engage with and support the plan for culture and tourism.

Culture:

Since its launch in May, the New Anglia Cultural Board's flagship project **Start East – building the cultural economy** has provided more than 450 hours of business support across the cultural and creative industries. The project has delivered 12 events across Norfolk and Suffolk, giving workshops on a variety of themes from diversifying income streams to business planning and governance, with many more in the pipeline.

Cultural Tourism has been an ongoing focus of the Cultural Board, with the second phase of the project **Look Sideways – East** now live. Evaluation of trends in visitor travel time to cultural venues in Norfolk and Suffolk is encouraging, with a 23% increase in visitors travelling over 45 minutes to attend a cultural event since the project started in 2014.

The LEP Network hosted a meeting Wednesday 4 October in London with LEPs, Department for Culture, Media and Sport (DCMS) and the Arts Humanities Research Council (AHRC) to discuss the recent review of the creative industries by **Sir Peter Bazalgette** and the emerging **Sector Deal**. The review stated that given the diversity of geographic spread of the sector, interventions should be at a local level, aimed at 'creative clusters', as opposed to top down. New Anglia LEP worked with Birmingham and Solihull LEP to present the case to DCMS that LEPs are a strong vehicle in which to deliver the place elements of the sector deal through effective leadership at a cluster level.

ICT/ Digital Creative:

Tech businesses in the region can now benefit from TechEast's new membership offer. Members of TechEast will now have a new **Workspace Passport**, granting access to their London Embassy, John Bradfield Centre in Cambridge, as well as hot desks in Ipswich, Norwich and Colchester. Membership also includes discounts on vital business services including accounting, legal, Payroll and HR, IT hardware and recruitment as well as 1:1 business surgeries and promotional opportunities.

How will the fourth industrial revolution benefit businesses and how do we make sure we have the skills we need to maximise opportunities? That was the topic of a packed session co-hosted by TechEast and Cambridge Wireless at **Venturefest East**. Speakers such as Andrew Strong, Head of Industrial Innovation at Cambridge Consultants and Caroline Gorski, Head of IoT and Digital Manufacturing at Digital Catapult tackled topics such as productivity, automation and employee engagement.

Construction & Development (Building Growth):

Charles Aimes, Head of Public Sector Land at the **Homes and Communities Agency (HCA)** was a guest speaker at Building Growth's September meeting, speaking to the group about the HCA's Home Building Fund with £3bn to support housebuilders in England, £2bn focussed on delivering infrastructure to support a strong pipeline of housing supply, and £1bn for development finance to diversify and support innovation by SMEs, custom builders and innovative construction methods.

Life Sciences

With less than a year to its opening, construction of the **Quadram Institute** on the Norwich Research Park passed another milestone recently, as construction workers clocked up over 500,000 hours working on the site, with an estimated direct contribution of around £12.5 million to the local economy. The state-of-the-art building will host fundamental and translational research into food, human health, gut biology and disease, and feature a clinical research facility for human trials and a new gastrointestinal endoscopy unit for the Norfolk and Norwich University Hospital.

Advanced Manufacturing & Engineering:

The revised **New Anglia Advanced Manufacturing & Engineering (NAAME)** board met for the first time at West Suffolk College in August. The group discussed immediate priorities including developing regional manufacturing groups and the Productivity Institute. The Productivity Institute is being developed as a partnership between the University of East Anglia and NAAME, and seeks to facilitate connections between business, local government and education to address the productivity challenge. The Institute will provide industry-centric training, skills and career development from apprentice to PhD, leadership and supply chain development.

Food, Drink and Agriculture (FDA):

International trade was a major focus at the FDA Board's most recent meeting in September. Alan Ridealgh, Executive Director of Muntons gave a fascinating presentation on Muntons' experience of successful international trade. With sales offices in Stowmarket, Singapore and Chicago, they export £90m of their malt product to Asia, USA, Europe and rest of the world, which is two thirds of their business. Alan spoke about the vital need to understand the local market, as well as taking ownership of the product's journey from start to end. Officers from the Department of International Trade and UK Export Finance also attended the meeting to discuss the services they offer to businesses wishing to export. The FDA Board are now considering their role in supporting businesses in the sector wishing to export to achieve their ambitions.

Energy:

The **East of England Energy Group** hosted their annual awards at Dunston Hall in September. James Fisher Marine Services was awarded **Best Regional Contribution to Local Content**. The award for James Fisher, which follows a year of investment by the company, was in recognition for its investment in people and the local supply chain over the last 12 months. James Fisher's dedication to the area has seen it develop its **Offshore Wind Management System** to better service the region's renewable projects. The Galloper offshore construction contract, awarded to the company has also engendered further employment and investment.

New Anglia LEP and EEEGR jointly hosted a consultation with the **Offshore Wind Industry Council (OWIC)** on Friday 6 October at Orbis Energy to discuss the emerging **Sector Deal** for offshore wind. OWIC have been consulting with industry nationally ahead of presenting the deal to Government in November. Delegates emphasised the strength of the East's supply chain in the sector, and how with our all energy offer we could help to make the links to other sectors such as oil and gas and nuclear.

Financial Industries (Financial Industry Group):

The Financial Industry Group (FIG) recently met with Professional Liverpool, a trade organisation promoting Liverpool City Region as a financial and professional centre of excellence. The two groups discussed synergies and shared best practice with a view to a continuing relationship.

The group are in the final stages of planning their annual conference, which this year will take place at Norwich Business School on Thursday 23rd November. This year's theme is innovation in the financial and insurance sector.



New Anglia Local Enterprise Partnership Board

Wednesday 25th October 2017

Agenda Item 14

Finance Report

Author: Keith Spanton

Summary

This report provides board members with an update from the finance department on the LEP's finances to the period ending 30 September 2017. The report includes **confidential** appendices:

Appendix A - core management accounts period ended 30 September 2017

Appendix B - core monthly and year to date graphs

Management accounts

The LEP's core income and expenditure accounts and graph for the month ended 30 September 2017 is shown in confidential appendix A and B.

30 September 2017

Headline figure for the first six months are: Total income £628,968 of which £374,000 represents core contribution, with recharges and other income of £254,968 making up the balance. Costs to 30 September total £523,782 leaving a surplus of £105,186, ahead of budget by £93,514. This is ahead of management expectations.

This is due to some delays in the recruitment of new staff. Some expected event costs have now materialised with the remainder to come in October, which have been budgeted for.

Further detail of the accounts and some of the larger variances will be explained at the board meeting.

Statutory accounts for the year ended 31 March 2017

The financial statements were adopted at the annual general meeting held in September. These have been submitted to Companies House and are now available to the public. The accounts have also been published on the New Anglia website.

Recommendation

The board is invited to note the contents of the report.