

## New Anglia Local Enterprise Partnership Board Meeting

Wednesday 27<sup>th</sup> January 2021

10.00 - 12.30pm

Via MS Teams

### Agenda

No.	Item	
1.	Welcome from the Chair	
2.	Presentation from Ian Whitehead, Lane Farm	
3.	Apologies	
4.	Declarations of Interest	
5.	Actions / Minutes from the last meeting	
<b>Strategic</b>		
6.	2021 LEP Strategic Priorities	For Approval
7.	Trade and Cooperation Agreement Between the EU and the UK	Update
BREAK – 15 Mins		
<b>Strategic</b>		
8.	Agri-Food Industry Council Report	Update
<b>Operational</b>		
9.	Chief Executive's Report – including confidential items	Update
10.	Connected Innovation	Update
11.	New Anglia Capital Report – Confidential	Update
12.	January Performance Reports - including a confidential report	Update
13.	Quarterly Management Accounts – with confidential appendices	Update
14.	Board Forward Plan	Update
15.	Any Other Business	



## **New Anglia Board Meeting Minutes (Unconfirmed) 25<sup>th</sup> November 2020**

### **Present:**

Kathy Atkinson (KA)	Kettle Foods
Sam Chapman-Allen (SC)	Breckland Council
David Ellesmere (DE)	Ipswich Borough Council
C-J Green (CJG)	Brave Goose
John Griffiths (JG)	West Suffolk Council
Matthew Hicks (MH)	Suffolk County Council
Pete Joyner (PJ)	Shorthose Russell
Dominic Keen (DK)	Britbots
Helen Langton (HL)	University of Suffolk
Steve Oliver (SO)	MLM Group
Corrienne Peasgood (CP)	Norwich City College
Andrew Proctor (AP)	Norfolk County Council
Alan Waters (AW)	Norwich City Council
Jeanette Wheeler (JW)	Birketts

### **Attendees**

Dan Greeves (DG)	Pegasus Welfare Solutions – For Item 2
Sian Lloyd (SL)	BEIS
Jai Raithatha (JR)	Suffolk County Council
Vince Muspratt (VM)	Norfolk County Council
Chris Starkie (CS)	New Anglia LEP
Rosanne Wijnberg (RW)	New Anglia LEP
Helen Wilton (HW)	New Anglia LEP

<b>Actions from the meeting: (25.11.20)</b>		
<b>Economic Recovery Restart Plan Progress Report</b> Sources of visitors to the vacancy page on the New Anglia Web site to be circulated Insolvency advice to be provided to the Growth Hub		<b>CS RW</b>
<b>1</b>	<b>Welcome from the Chair</b>	
CJ Green (CJG) thanked everyone for joining noting that the second lockdown will have caused additional pressures on some sectors.		
<b>2</b>	<b>Presentation from Dan Greeves, CEO of Pegasus Welfare Solutions</b>	
CJG welcomed Dan Greeves (DG), CEO of Pegasus Welfare Solutions which received £25,400 from the Business Resilience and Recovery Scheme to support the development of sanitary units for companies working offshore.		
<p>DG provided the board on the background to the company highlighting its aims of attracting more women into the offshore wind industry and increasing productivity.</p> <p>The board learnt that all units are constructed in Norfolk with extensive use of the local supply chain and DG thanked the LEP for the financial support it had provided which allowed the company to develop and launch a new unit. This is a world first and allows self-contained toilets to be fitted into wind turbines and enquiries have already been received from 5 of the 6 main developers in the UK. DG confirmed that the LEP support had been game-changing and had given the company the confidence to relocate to new premises allowing take on 3 more staff and expand the product line. Benefits had also been received from the media promotion provided by the LEP.</p> <p>DG advised that the next stage was development of data collection on the units which will reduce the need for site visits with large cost saving implications. He confirmed that they were also linking up with other companies on the new site and worked closely with the UEA to reach staff with the required skills.</p> <p>CJG thanked DG for his presentation and he left the meeting.</p>		
<b>3</b>	<b>Apologies</b>	
Apologies were received from Claire Cullens, Johnathan Reynolds and Tim Whitley.		
<b>4</b>	<b>Declarations of Interest</b>	
None		
<b>5</b>	<b>Actions/Minutes from the last Meeting</b>	
The minutes were accepted as a true record of the meeting held on 21 <sup>st</sup> October 2020.		
<b>6</b>	<b>Inward Investment Delivery Plan</b>	
<p>Chris Starkie (CS) presented the paper highlighting the team's partnership working with colleagues across Norfolk and Suffolk and recent successes including the purchase of the Philips Avent site in Sudbury by GCB.</p> <p>Jeanette Wheeler (JW) noted that following the recent ministerial roundtable proposed linking with colleagues from the OxCam arc to investigate companies looking to expand outside that area and that the team could investigate the opportunities his presented.</p> <p>CS agreed and confirmed that the team work closely with partners from local authorities, universities and the Department of Trade.</p> <p>CS reviewed the six workstreams through which the team delivers:</p> <ul style="list-style-type: none"> <li>• Identification of market need</li> <li>• Identification of market offer</li> </ul>		

	<ul style="list-style-type: none"> <li>• Communicating/promoting the market offer</li> <li>• Partnership development</li> <li>• Support retention, development, and expansion of existing local businesses</li> <li>• Systems development/management</li> </ul> <p>The meeting discussed the rationale for GCB's investment and which including offering an existing building rather than a new build.</p> <p>CS confirmed that the Norfolk &amp; Suffolk Unlimited (NSU) site included a property index and agreed that having details of those properties available for repurposing would be beneficial as this region did not always have the funding available to support new builds as in other areas.</p> <p>Andrew Proctor (AP) noted the difficulty in setting targets for inward investment and asked if the offshore wind investment should be highlighted given the importance of the sector for the region.</p> <p>CS agreed that it was challenging to set KPIs in the current climate but confirmed that these would be developed during 2021.</p> <p>Pete Joyner (PJ) asked whether there was evidence that the NSU brand was helping in bringing in enquiries. CS advised that it was difficult to ascertain whether this was the sole factor but agreed that it helped in raising the profile of the region and to position it alongside the offers from the other regions.</p> <p>CS noted that the NSU brand had been very well received by the DIT and provided them with a simple and precise image of the area had supported them around the world.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> <li>• To note the content of the report</li> <li>• To endorse the proposed Inward Investment Delivery Plan</li> </ul>	
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<b>7</b>	<b>Economic Recovery Restart Plan Progress Report</b>	
	<p>CS presented the progress report which has been designed to sit alongside the original plan and included updates on the major programmes and successes.</p> <p>CJG asked if there was any evidence on the sources of visitors to the site. CS confirmed that work was being done to trace sources and this would be shared to board members.</p> <p><b>ACTION:</b> Sources of visitors to the vacancy page on the New Anglia Web site to be circulated</p> <p>JW proposed providing information to anyone facing redundancy due to insolvency and suggested compiling a fact sheet to signpost to further support.</p> <p>CS noted that work was ongoing to scale up local support, support start ups and also support companies facing insolvency and agreed that Government support has kept insolvency rates low at the current time but were likely to increase in 2021.</p> <p><b>ACTION:</b> Insolvency advice to be provided to the Growth Hub</p> <p>PJ asked if any sectors were being prioritised for support. CS advised that challenge was to help those sectors not normally supported such as retail but that the LEP was considering all areas funding being provided by Government and by all partners and is therefore focussing on those sectors who have not received any support.</p> <p>SO asked if other sub-boards were adjusting future plans to account for the plan. CS confirmed that this was the aim and he was aware that the Innovation Board and Cultural Board were doing so.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> <li>• To note the content of the report</li> <li>• To note the progress that has been made against the interventions in the Economic Recovery Restart Plan and approve its publication</li> </ul>	<p>CS</p> <p>RW</p>

<b>8</b>	<b>EU Exit / End of Transition Period Report – Confidential</b>
	<p>The Board agreed:</p> <ul style="list-style-type: none"> <li>To note the content of the report</li> </ul>
<b>9</b>	<b>Chief Executive’s Report</b>
	<p>CS highlighted key items in the Chief Executive’s report including the open letter sent to Prime Minister in response to the Ten Point Green Recovery plan and the Peer to Peer Network which is proving successful with over 70 business included so far most of which are new engagements.</p> <p>CS presented the video produced by the LEP highlighted 3 of the companies which had received BR&amp;R grants and the impact that the grant had made.</p> <p>CS noted that the recent ministerial roundtable had again proved successful and confirmed that Government are keen to do more.  JW noted that these provided an opportunity to pitch directly to Government and the LEP should exploit this opportunity at any future ones.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> <li>To note the content of the report</li> </ul>
<b>10</b>	<b>November Performance Reports</b>
	<p>Rosanne Wijnberg (RW) presented the reports to the Board and highlighted key items.</p> <p>Growth Deal – RW noted that the pandemic has caused delays for some projects therefore delivery and spend are rated amber. Outputs remain green as it is anticipated they will be met. A rollover of around £18m is predicted.  RW explained the approach for relocating funding if not spent by individual projects.</p> <p>The meeting reviewed the programme dashboards.  Helen Langton (HL) noted the significant impact of the pandemic on apprenticeships and noted that these would not be recover until 2022.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> <li>To note the content of the reports</li> <li>To approve the Growth Deal dashboard</li> </ul>
<b>11</b>	<b>Board Forward Plan</b>
	<p>RW presented the board forward plan and asked for any requests to further items to be submitted to Helen Wilton.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> <li>To note the content of the plan</li> </ul>

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**Any Other Business**

CS advised that he would be receiving a briefing on the Comprehensive Spending Review at the end of the day and he would be circulate this to board members.



**Actions from New Anglia LEP Board Meetings**

<b>Date</b>	<b>Item</b>	<b>Action</b>	<b>Update</b>	<b>Actioned By</b>	<b>Target Date</b>
25/11/2020	Economic Recovery Restart Plan Progress Report	Sources of visitors to the vacancy page on the New Anglia Web site to be circulated	Details will be provided at the January Board meeting.	CS	Complete
25/11/2020	Economic Recovery Restart Plan Progress Report	Insolvency advice to be provided to the Growth Hub	RW has contacted Jeanette Wheeler to discuss further - work in progress	RW	Feb-21
23/09/2020	New Anglia Capital	Board members to consider putting themselves forward to join the NAC board	Kathy Atkinson has offered to join the NAC Board and has been invited to meet the NAC directors at the NAC Board meeting in March.	CS	Mar-21
23/05/2019	Growth Hub Presentation	Growth Hub Annual review to be circulated to the Board when published	This review will now take place early in 2021	CD	Apr-21



**New Anglia Local Enterprise Partnership Board**  
**Wednesday 27<sup>th</sup> January 2021**

**Agenda Item 7**

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**Trade and Cooperation Agreement Between the EU and the UK**

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Author: James Allen. Presenter: Chris Starkie.

**Summary**

This report is an executive summary of the report on the Trade and Cooperation Agreement struck between the EU and the UK detailing the contents of the deal, potential implications for sectors, potential economic impact, emerging intelligence and LEP activity. Please see Appendix A for the full report

**Recommendations**

The Board is asked to note the contents of the report.

**Background**

The UK and EU successfully negotiated the Trade and Cooperation Agreement on 24<sup>th</sup> December, which was ratified on 30<sup>th</sup> December ahead of the end of the transition period on 31<sup>st</sup> December. This agreement is accompanied by a series of political declarations and agreements over nuclear and security cooperation. There are commitments for further deals and announcements in the coming months and years – with a focus on services, financial services equivalence and data adequacy all announced.

**Contents of the deal:**

The deal secures zero tariffs and quotas on goods traded between the UK and EU; however businesses must meet the new 'rules of origin' requirements in order to qualify. Both sides have committed to keep talking to improve access for services. For now, businesses offering services, such as banking, architecture, and accounting, will lose their automatic right of access to EU markets and will face some restrictions. Rather than following one set of rules for the whole of the EU, UK businesses will need to comply with the regulations in each individual country. There will no longer be automatic recognition of professional qualifications for people such as doctors, chefs, and architects. It will be harder for people with qualifications gained in the UK to sell their services in the EU. Individuals will need to check each country's rules to make sure their qualification is still recognised. A temporary arrangement has been put in place to allow data to continue being transferred from the EU to the UK from 1 January. This will initially last for four months (extendable to six months) while the Commission makes its adequacy decision. The full report provides additional details around the new immigration system for all non-UK nationals; the phased approach for the Border Operating Model; what has been agreed on the environment and climate change; and how state aid is affected.

## **Sectoral implications:**

The full report breaks down what we know about the deal and intelligence across sectors about how it is likely to affect agri-food; energy; ICT/digital; financial services; manufacturing; health and social care; logistics; aviation; creative industries; and fisheries.

## **Potential economic impact:**

In MetroDynamics' January 2020 report, their assumption was that if a deal were secured, Norfolk and Suffolk's GDP would face an average reduction of 4% by 2030 and the UK an average reduction of 3.5%. We believe that this impact upon the economy is still likely to remain true.

At this current moment in time, it is very difficult to say what the combined impact will be of the deal and the Covid-19 pandemic.

## **Emerging issues:**

Examples of issues that have emerged so far:

- It is vital for a wide range of sectors that the Commission provides a positive data adequacy decision. If this is not granted, data will be exchanged based on individual international transfer rules. At the moment as both the UK and EU have similar rules based on the GDPR there are clearly defined processes for transferring data requiring the use of appropriate safeguards, such as standard contractual clauses (SCCs) or Binding Corporate Rules (BCRs).
- There is a phased approach in the Border Operating Model. The full impact is still yet to come. Stockpiling ahead of the end of the transition period and Christmas has lightened the load so far, while concern over new procedures and requirements for Covid tests have made some companies reluctant to send trucks right now.
- Companies from the retail, delivery and chilled transport and storage sectors have highlighted emerging problems at the border regardless of the traffic being relatively low. We will continue to monitor how companies fare with the new phased-in border operating model.
- Some sectors, such as retail and food and drink, have raised concerns around the rules of origin chapter given how interdependent supply chains are. Under the deal, businesses could face tariffs on goods imported from the continent for processing at British distribution hubs which are then re-exported to member states. For example, Marks and Spencer have highlighted concerns around Percy Pigs which are manufactured in Germany, brought to the UK before then being re-exported to M&S stores in the EU – Ireland, France and Czech Republic as this journey would now face tariffs.
- The current provisions around services could throw up challenges for service providers to the EU with mutual recognition of professional qualifications potentially on a country-by-country basis and financial services awaits further details around equivalency.
- There are fears the clauses around ease of movement in the EU (90 in 180 days) will severely curtail the ability of performers to go on tour in Europe and will hamper the recovery of the arts and creative sector after the devastating impact of the pandemic.
- Pig farmers have highlighted the impact on the cull sow trade – whose main customers are in Germany for cured meat and salami - as UK slaughterhouses are currently not buying former breeding sows due to fears over the cost of sending shipments which could be rejected. UK supermarkets do not have sow meats in their sausages. There are concerns that they might be squeezed out of their well-established trading partnerships in Germany.
- Cycle shops have highlighted that shipping costs are through the roof. Some of their bicycle suppliers are based in Europe - the likes of Bianchi and Ridley - but they are either suspending shipping until the middle of January, when more is known about how the new tariffs will work or factoring in 5% to 10% price increases to cover the extra costs. Anticipating massive shortages of bicycles later in the year.

- The EU Settlement Scheme ends on 30 June 2021 for EEA nationals (and their families) working in the UK up until 31 December 2020. Many workers are furloughed who need to fill this information in, so there could be challenges.
- Many firms had delayed considering issues until the dust had settled on this issue but have now been hit by the fallout from the Covid-19 pandemic. There will be some unknown issues (opportunities and challenges) that were not foreseen, and these will be monitored as they come through.

## **LEP activity:**

### Communications

The LEP is regularly updating its business script for 80 recipients across the LEP, Growth Hub, local authorities, and other business support organisations, which includes the most up to date technical notices and guidance for businesses following the deal and offers a local flavour for conversations. The business-facing information from the script is also on the LEP's EU exit website and social media pages, including details of upcoming local and national webinars.

### Growth Hub Support

The Growth Hub continues to run, collectively with partners in our Ox-Cam Arc Growth Hub cluster, a series of webinars for businesses which continue to March 2021, providing businesses with updates on key issues. Events held so far have reached c.40 businesses at a time on issues such as the new trading landscape; importing and exporting; border changes; developing overseas markets; and effective supply chain management. In comparison to Covid-19, business enquiries to the Growth Hub have been very low in recent weeks. We expect to see this demand increase significantly in the coming weeks and months now that the trading relationship with the EU has been established and businesses seek local guidance and support.

BEIS funding was secured at the end of 2020 for the delivery of outbound telephone and email contact with businesses. New Anglia LEP undertook a tendering process to outsource the delivery of this work and V4 Services have been appointed. Under the contract, they will contact and proactively engage with at least 3,500 business across Norfolk and Suffolk. To count as an output, the support must last at least ten minutes and provide the business with EU Exit help and advice. They will also provide specialist advice to at least 100 businesses. To count as an output, the specialist advice must be of at least three hours in duration.

In terms of operation, V4 Services will target SMEs that are more likely to be impacted by the UK leaving the EU, through a rolling target list of SMEs to contact each week. The service will also be used by the Growth Hub as a way of providing enquires with specialist EU Exit help and advice, alongside the work of the Suffolk Trade Advisors. The contract runs from the 11th January 2021 to the 31st March 2021.

### Business Intelligence

The LEP continues to share weekly business intelligence returns with central government, local government and MPs capturing intelligence around the UK's new trading relationship with the EU and Covid-19. V4 Services will provide the LEP with a weekly intelligence report that will directly feed into the business intelligence returns. The information that we capture in the coming weeks, months and year(s) is key to assess how the introduction of the new relationship, immigration system, border controls and state aid rules impacts businesses, and where opportunities will lie for businesses.

From the BEIS funding, there is an additional £14.5k allocated for intelligence and reporting. This will inform both our intelligence returns, but also our investment plan and the longer-term economic recovery plan through an assessment of how the deal will affect Norfolk and Suffolk's skilled workforce and inward investment in the years to come.

## **Recommendations**

The Board is asked to note the contents of the report.

## **Appendix A: Trade and Cooperation Agreement between the UK and EU**

### **Latest Update:**

A deal reached was reached between the two negotiating parties on 24 December and signed off on 30 December ahead of the end of the transition period on 31 December. This Trade and Cooperation Agreement is accompanied by a series of political declarations and agreements over nuclear and security cooperation.

A Partnership Council will supervise the operation of the Agreement at a political level, providing strategic direction.

The TCA will be reviewed every five years. It can be terminated by either side with 12 months' notice, and more swiftly on human rights and rule of law grounds.

Further deals and decisions are likely to be secured in the coming months and years on a range of key issues e.g. services, data adequacy and financial services equivalence.

### **Contents of the deal:**

**Goods:** there are no tariffs or quotas on goods traded between the UK and EU. This is accompanied by new customs procedures and formalities including new 'rules of origin' requirements which are needed in order to qualify for zero tariffs.

On goods, bespoke provisions were agreed to facilitate the 45% of goods trade that flow through 'ro-ro' ports.

Specific annexes were also agreed to reduce the non-tariff barriers for medical products, automotive, chemical products, organic products, and wine.

**Services:** businesses offering services, such as banking, architecture, and accounting, will lose their automatic right of access to EU markets and will face some restrictions. Rather than following one set of rules for the whole of the EU, UK businesses will need to comply with the regulations in each individual country.

There will no longer be automatic recognition of professional qualifications for people such as doctors, chefs, and architects. It will be harder for people with qualifications gained in the UK to sell their services in the EU. Individuals will need to check each country's rules to make sure their qualification is still recognised.

However, the UK and EU have pledged to keep talking to try to improve access for the service sector in the future.

**EU programmes:** the UK will continue to have access to various EU programmes, including: the €100bn research and development programme Horizon Europe; the Euratom Research and Training Programme; the fusion test facility ITER; the earth observation programme Copernicus; and access to the EU's Satellite Surveillance & Tracking (SST) services. The UK will no longer have access to the Erasmus+ student programme (replaced by Turing Scheme – which begins in September 2021). Additionally, the UK must also find a way to replace access to the Galileo satellite system's encrypted military data.

**Data:** a temporary arrangement has been put in place to allow personal data to continue being transferred from the EU to the UK from 1 January. This will initially last for four months (extendable to six months) while the European Commission undertakes to make its adequacy decision.

An adequacy decision is in the best interest of both sides as well as businesses and individuals in the UK and EU. However, if an adequacy decision is not granted by the end of the six month additional bridge period, the UK and EU will exchange data based on their individual international transfers rules. At the moment as both the UK and EU have similar rules based on the GDPR there are clearly defined processes for transferring data requiring the use of appropriate safeguards, such as standard contractual clauses (SCCs) or Binding Corporate Rules (BCRs).

Security: a new security partnership provides for data sharing and policing and judicial co-operation, but with reduced access to EU databases. A new surrender agreement takes the place of the European Arrest Warrant. Cooperation can be suspended by either side swiftly in the case of the UK or a Member State no longer adhering to the European Convention of Human Rights.

Other:

There will be no role in the UK for the European Court of Justice – disputes will be referred to an independent tribunal.

Continues to allow access for respective businesses to bid for each other's government procurement contracts.

### **The Border Operating Model:**

The new border controls are phased in three stages up until 1 July 2021.

From 1 January 2021, the UK will operate a full, external border as a sovereign nation. Full controls are in place for exports. Full controls are in place for staged imports of controlled goods. Optional deferred declarations are in place for imports of standard goods. From 1 April 2021, full controls are in place for animals and products of animal origin; plants and plant products. From 1 July 2021, full controls are in place for all goods.

The new trade deal's rules of origin chapter is expected to hamper some existing goods supply chains and has sparked concerns from UK and EU trade associations. By imposing high tariffs on products shipped to the UK to be sold on in the EU, it may well end the UK's role as a distribution hub in the EU.

The mutual recognition of authorised economic operator schemes should mean trusted traders face less friction when moving goods between the UK and EU.

Businesses need to take a range of actions, but to get started they should:

- Make sure they have an EORI number starting with GB.
- Consider using a customs intermediary to make declarations.
- Check if goods need an import or export license e.g. for chemicals or food and apply for what is needed.
- Make sure they understand VAT responsibilities.
- Consider if they want to make use of deferred declarations if they import goods.
- Fully understand the 'rules of origin' principles.
- May want to use the free Trader Support Service to guide them with the way goods move between GB and NI.

### **Immigration:**

From 1 January 2021, EU citizens are treated the same as those from the rest of the world through the introduction of the new points-based immigration system.

How does the scheme work: meeting the mandatory criteria will earn the applicant 50 points (the offer of a job by an approved sponsor (20pts); job at an appropriate skills level (20pts); and English language skills at level B1 (10pts).

They must obtain a further 20 “tradeable” points through a combination of points for their salary, a job in a shortage occupation or a relevant PhD.

Sponsorship: a sponsorship requirement will apply to the Skilled Worker route, to the Health and Care Visa and to the student route, as well as to some specialised worker routes. This applies to both EU and non-EU citizens who come on these routes. Although specific requirements vary by route, for most work routes, sponsors must undergo checks to demonstrate they are a genuine business, are solvent, and that the roles they wish to recruit into are credible and meet the salary and skills requirements. The costs for employers sponsoring EEA nationals (from overseas) will significantly increase from January 2021. Employers with experience in sponsoring non-EEA workers are already familiar with the fee levels, however they may come as a surprise to those employers who have not previously had to pay them.

Sectors: There is a fast-track entry system for doctors, nurses, and other healthcare professionals. Most care workers will not be covered by the scheme though. Those eligible for this visa will pay reduced fees and be supported through the application process.

Sectors such as social care and construction could face increasing skills shortages as a result of the coming changes. Other exposed sectors include food manufacturing, accommodation, hospitality, and manufacturing.

The technology sector, which brings in numbers of highly qualified, well-paid staff from India, the US, and other non-EEA countries, is likely to be less affected by the new system. Other sectors less likely to be negatively affected include financial services, insurance and research and development.

Seasonal Workers Scheme: expanded to 30,000 workers in 2021. Government will seek to build on the Pick for Britain campaign and retain more domestic seasonal workers. Farmers are still concerned about staff shortages this year. A big question mark hangs over the scheme’s future, with the agriculture industry pushing for the pilot to be made permanent.

EU Settlement Scheme: EEA citizens and their families already living in the UK by 31 December 2020, are not required to go through the new system. Instead, they can apply to the EU Settlement Scheme, and have until 30 June 2021, to do so. If the applicants are successful, they will be able to remain in the United Kingdom and claim benefits similar to UK citizens, if they become unemployed. Irish citizens do not need to apply under the EU Settlement scheme and will not require permission to come to the United Kingdom, as the UK and Ireland are both part of a common travel area.

UK citizens working in the EU: From 1 January 2021, UK citizens will no longer have an automatic right to live or work in the EU, so if they are looking to do this, they will need to check an individual country’s immigration rules. If they have any professional qualifications in the UK, they will also want to check whether they are recognised where they plan to work.

Work visas may be required for work travel, although in most cases it will be possible to undertake some business related activities – such as business meetings – without a work visa. The rules around what activities will be permitted on short term business trips and visa requirements vary between member states, with country-by-country guidance available from the government. The deal limits these short term business trips to 90 days in any 180 day period (although how this time period is calculated varies between member states). Might be able to apply for an EU Blue Card, which gives highly qualified workers from outside the EU the right to live and work in an EU country.

## **Environment and Climate Change:**

In the trade deal, both sides committed not to undermine green standards and to make efforts to increase environmental protection while promoting sustainable trade. It also allows for each side to set its own policies on things like air quality, emissions, and biodiversity conservation without undercutting each other's standards. The mechanism to enforce this is a consultation between the parties and recommendations by a panel of experts.

## **State Aid:**

The deal ends the EU State Aid regime and allows UK to introduce its own system for state aid.

Companies in the EU will be able to challenge state aid awarded to UK rivals in the UK's national courts if they feel it violates common principles set out in the trade deal. British companies will enjoy equivalent rights in the EU.

The UK agreed to set up an independent state-aid authority, although the deal does not require the UK to have an "ex ante" regime that will vet subsidies before they are granted. Either side would also be able to unilaterally impose tariffs to counter the effect of trade-distorting subsidies, although the other party could then call for accelerated arbitration.

## **Sectoral implications:**

### **Agri-Food:**

Successfully maintained access for meat, dairy and organic products, all of which are vitally important to farm businesses in the region. For example, 70% of poultry meat exports go to the EU, a trade worth £192m in 2019. Last year, almost 90% of our barley exports, worth £230m, went to the EU. In all, the EU market for UK agri-food exports is worth £14.5bn.

However, not all agri-food products have been included in the terms of the deal, such as seed potatoes.

The EU will immediately implement tough new checks on agri-food products, with no grace period.

There will also be restrictions on exports of some animal products, including fresh pork mince and sausages.

Defra has listed a long list of guidance on its website on changes to country of origin labels, EU health and identification marks, organic logos and much more. For example, food from GB must not be labelled as 'origin EU'.

While food and farming businesses welcomed the fact a deal was reached, they warned that leaving the customs union and single market would still disrupt the food supply chain with new requirements, paperwork, checks, restrictions, increased costs, complexities, and potential delays at ports. This trade friction is could squeeze the already tight margins within the supply chain. AHDB analysis estimates these costs range from 5% to 8% for livestock products and 2% to 5% for crops, with farmers likely to 'bear the brunt of these additional costs'. These estimates do not include the cost of potential delays at port, which may result in a further loss of value of perishable loads.

### **Energy:**

The energy provisions support and strengthen the UK and the EU's respective energy and climate ambitions. This includes the way in which the parties trade electricity and gas over interconnectors, work together on security of supply, integrate renewables into our respective markets and cooperate to develop opportunities in the North Sea.

The energy chapter expires on 30 June 2026, unless both the EU and the UK agree to extend the arrangement on an annual basis. So while the 2020 agreement negotiations may be over, the ones for 2026 are just beginning.

The UK is now out of the EU's internal energy market, which means it no longer has access to day-ahead or intraday trading tools that make the exchanges quicker and cheaper. Power bills that are expected to be 2 to 5 percent more expensive, while energy traders will need to deal with new paperwork for each exchange made.

The UK is also out of the European Network of Transmission System Operators for Electricity and Gas (ENTSO-E and ENTSO-G) — the main venue in which transmission systems operators interact — and the European Union Agency for the Cooperation of Energy Regulators (ACER), which oversees the EU's energy and gas markets. This ultimately leaves consumers exposed to measures on power trading set in rooms from which the UK is not present. The UK is expected to try to get back in and have an arrangement similar to the one the Swiss and Norwegians have with both organizations.

The UK has also left the EU's Emissions Trading System. The UK has created a domestic version, but linking the systems is supported on both sides of the Channel in order to beef up the mechanism used to crack down on greenhouse gas emissions.

The Agreement commits both Parties to develop and implement new, efficient trading arrangements by April 2022. These will ensure that capacity on the interconnectors is maximised and that there is implicit trading in how this capacity is allocated (i.e. capacity and electricity are sold together). This will help integrate renewables and other clean technologies onto the grid in line with domestic commitments to net zero emissions. Whilst this system is being implemented, alternative trading arrangements will be in place for electricity. We have also agreed arrangements that will ensure we continue to trade gas efficiently via the PRISMA platform.

The UK and EU have agreed to enhance cooperation on renewable energy, including in the North Sea. This will facilitate the development of hybrid projects that combine interconnectors and offshore windfarms and opens up the potential for a North Sea grid.

Separate to the TCA, the UK and Euratom signed a Nuclear Cooperation Agreement which gives a legal underpinning to civil nuclear cooperation, including safeguards, safety, and security.

The Agreement provides for a new set of arrangements for extensive technical cooperation between the respective regulators and system operators, particularly with regard to security of supply, market abuse and network development.

The Agreement supports trade and investment in energy goods and raw materials between the UK and EU. These will help facilitate open and competitive markets, removing unnecessary barriers to trade.

#### ICT/Digital:

These provisions will promote trade in digital services and facilitate new forms of trade in goods and services. The Agreement ensures cooperation on digital trade issues in future, including emerging technologies. The provision helps to facilitate the cross-border flow of data by prohibiting requirements to store or process data in a certain location.

The Agreement includes commitments including zero custom duties on electronic transmissions; keeping source code safe; online consumer protection; and anti-spam provisions giving consumers strong protections when buying from businesses in either the UK or the EU.

The Agreement provides a legal framework for common e-signature and trust services.

It is vital for the sector, and many others, that the Commission reaches a data adequacy decision for the UK. It is positive that the temporary arrangement has been put in place to allow data to continue being transferred from the EU to the UK from 1 January for 4-6 months until a decision is made.

### Financial Services:

Not covered comprehensively in the full trade agreement. Both sides have committed to setting out a “framework” for regulatory cooperation in financial services by March 2021 and will discuss the equivalence decisions which the EU has yet to make. The cooperation agreement is not expected to be legally binding or open up free trade in financial services, but merely to provide a framework for future discussion between rule makers.

The focus for financial services firms now will be on what can be achieved through trade deals and regulatory cooperation with key financial services hubs across the world. For many financial services firms - which operate digitally and employ significant numbers of people - the agreements on data and migration will be as important as the detail of the agreements on financial services itself.

The EU found the UK equivalent on a time-limited basis in two areas: clearing and transaction settlement, while the UK gave the EU some 17 findings that enable EU firms to do business in the UK more easily. Ahead of even considering further findings, the EU has said it wants “clarifications” on the UK’s plans to change its regulations. Meanwhile, the UK is at the very beginning of this process, meaning that any decisions on either side are at least months away.

A lack of equivalence decisions would increase the cost of doing business for financial services firms and the clients they serve. This would impact market efficiencies and the global competitiveness of financial services businesses operating both in the EU and the UK.

The financial sector has already implemented plans to continue working with EU clients without equivalence findings, by gaining regulatory licenses in EU jurisdictions and moving certain operating functions there. Some 7,000 jobs have shifted from the UK to the EU in support of these arrangements, according to the Bank of England.

For the time being, financial firms have to carry on with business as best they can. With the EU yet to recognise the UK’s market rules, EU traders have been forced to shift some London trading of continental and Irish stocks onto exchanges in the bloc. It remains to be seen if that is a permanent move, or if some investment houses — always on the hunt for the best prices and easiest trading — find a workaround.

### Manufacturing:

The UK manufacturing sector welcomed the fact tariffs had been avoided that risked wiping out profits in the sector but warned that companies still faced border delays and the loss of mutual conformity assessment.

This could mean two lots of certification and testing to meet both EU and UK standards, according to Make UK. This would add significant complexity and cost, for a sector that operates on fine margins.

A so-called ‘trusted trader scheme’ — where qualified companies could speed through customs — was also welcomed, although companies said they would need to see details, given the costs of participating in the system.

Far fewer companies in the UK have this “authorised economic operator” status than in Europe, given the costs, which means that it may end up benefiting larger groups with in-house experts over smaller operators.

The lack of recognition of professional qualifications has been cited as challenging news for manufacturers wanting to send engineers to the EU.

Six year phase-in on rules of origin for electric cars is positive for electric car industry.

The Trade agreement delivers on tariff and quota free trade, only so long as exports meet stringent 'rule of origin' requirements. The lack of inclusion of allowing imported non-EU parts to count towards the agreement's rules of origin thresholds, which determine whether a product can be traded tariff-free or not, will provide complications and costs for some UK business.

According to Make UK the TCA has done nothing to resolve the significant paperwork filling that businesses will have to get used to – an estimated up to 400 million new forms. The cost to business from this will be significant and even after all systems have bedded in and the queues at our ports have normalised, we would still expect each delivery to take longer than it did before this deal. In today's optimised supply chains, this could impact operational efficiency in the longer term and will impact integrated supply chains.

Having dual bodies now in the UK and the EU to certify products containing chemicals. It will create significantly more cost and increased bureaucracy, without any obvious advantage.

#### Health and Social Care:

While the deal includes an agreement on mutual recognition of good manufacturing practice inspections, that is as far it goes. The UK has separately agreed to accept batch testing of medicines done in the EU, but the EU has not done the same. Companies have prepared for this by ensuring that all batch testing can take place in the EU, but there are concerns about the capacity for this and whether everyone will be ready.

More broadly, the UK's Medicines and Healthcare products Regulatory Agency (MHRA) is now responsible for medicines approvals, but it is unclear what relationship, if any, the MHRA will have with the European Medicines Agency.

There is also concern about a possible increase in shortages of medicines as hauliers prefer longer alternatives to the Dover-Calais route to avoid customs delays. Unlikely to know for certain for a month or so whether this shifting will lead to an increase in medicine shortages according to experts.

The effect of new immigration laws are also expected to impact the health and social care sectors, both of which have significant numbers of EU nationals in their ranks. There is a specific health-worker visa already in place that requires a minimum salary of £20,480 per year. However, care workers are not included in the scheme and the sector, which has been significantly hit by the Covid-19 pandemic, may face difficulties recruiting sufficient staff from within the UK which would be a particular concern given the age demographic in Norfolk and Suffolk.

#### Logistics and Road Haulage:

For UK hauliers the deal contained mixed blessings. The two sides recognised the validity of each other's licences and permits and included full transit rights, allowing drivers to cross multiple countries in order to drop a load. This will enable Irish lorries to use the UK as a "landbridge" to deliver goods into the EU.

However, the agreement limits UK hauliers to a single drop-off and a single pick-up from inside an EU member state and two pick-ups and drop-offs when crossing EU member states - this is a downgrade from EU membership, under which drivers could do three pick-ups inside an EU country before returning home.

Bus and coach companies can continue to operate to, from and through the EU.

### Aviation:

The deal allows flying rights between the EU and UK to continue, but UK carriers will not be able to fly between two points within the EU. This was expected, and airlines on both sides have set up foreign subsidiaries to continue current routes.

### Creative Industries:

Disappointments for the sector include confirmation the UK will not be part of Erasmus+ scheme and there will be no more automatic recognition of professional qualifications (e.g. architecture).

Vital for the sector that key arrangements such as data adequacy and the ease of movement (e.g. touring) are found moving forward. There are fears the clauses (90 in 180 days) will severely curtail the ability of performers to go on tour in Europe and will hamper the recovery of the arts after the devastating impact of the pandemic. This would affect tens of thousands of people in the UK's creative industries, including film-makers, technicians, and models as well as performers.

Includes commitments to protect intellectual property rights to a very high level.

### Fisheries:

EU fishing fleets will have a five and a half-year transition period with guaranteed access to UK water – including the 6 to 12 mile zone from the UK coast. After that, access will depend on annual negotiations.

During the transition, EU fishing rights in UK waters — currently worth about €650m per year — will be reduced by one quarter, with British quotas increased by a corresponding amount. The shift will boost UK boats' current share of fishing rights in British waters from about a half to two-thirds.

After the transition, access to waters will depend on annual negotiations, such as those the EU already has with Norway. But the EU will have some leverage: should the UK revoke access, it will be able to take compensatory measures, including hitting UK fish exports with tariffs, and even shutting the UK out of its energy market.

### **Potential economic impact:**

Back in January 2020 Metro Dynamics' produced a report on the Potential Implications of Brexit for Norfolk and Suffolk for the LEP Board. This focused around the potential impact on the key areas of trade, regulation, workforce and funding and investment based on two scenarios – deal or no deal.

The prediction was that if a deal were secured, Norfolk and Suffolk's GDP would face an average reduction of 4% by 2030 and the UK an average reduction of 3.5%. We believe that this impact upon the economy is still likely to remain true.

We could see in the coming months and years a varied impact across sectors and even sub-sectors as the realities of the new trading relationship and state aid rules come to fruition.

At this current moment in time, it is very difficult to say what the combined impact will be of the Brexit deal and the Covid-19 pandemic. We are currently in a national lockdown for the majority of Q1 2021 with uncertainty beyond. A great deal does rest on the vaccine and vaccination programme.

Intelligence suggests that we are likely to see redundancies and insolvencies coming through as a result towards the end of the first quarter of 2021 and throughout 2021.

Tourism, Leisure and Hospitality: the evidence does not suggest that these sectors will be adversely affected by the Brexit deal, but we are cognisant of the fact that Covid-19 has had

a detrimental impact on these sectors and continues to see a great deal of uncertainty through the rest of 2021. Certain sub-sectors within this do hire EU workers who are often comparatively well experienced.

### **Emerging issues:**

Examples of issues that have emerged so far:

- A temporary arrangement has been secured on transfer of personal data whilst the Commission makes its data adequacy decision. It is vital for a wide range of sectors that the Commission provides a positive data adequacy decision.
- It is anticipated that the full impact is still to come for borders. Stockpiling before the end of 2020 has lightened the load so far, while concern over new procedures and requirements for Covid tests made some companies reluctant to send trucks early in 2021. We will continue to monitor how companies fare with the new phased-in border operating model.
- Green grocers and supermarkets have seen supply-side issues as a result of EU exit as they scramble for stock. The issues have centred around non-seasonal stock like salads, citrus fruit and items like peaches and nectarines. For some, this has been exacerbated by the heavy snow in Spain.
- Some sectors, such as retail and food and drink, have raised concerns around the rules of origin chapter given how interdependent supply chains are. Under the deal, businesses could face tariffs on goods imported from the continent for processing at British distribution hubs which are then re-exported to member states. For example, Marks and Spencer have highlighted concerns around Percy Pigs which are manufactured in Germany, brought to the UK before then being re-exported to M&S stores in the EU – Ireland, France and Czech Republic as this journey would now face tariffs.
- The current provisions around services could throw up challenges for service providers to the EU with mutual recognition of professional qualifications potentially on a country- by-country basis and financial services awaits further details around equivalency.
- There are fears the clauses around ease of movement in the EU (90 in 180 days) will severely curtail the ability of performers to go on tour in Europe and will hamper the recovery of the arts and creative sector after the devastating impact of the pandemic.
- The EU Settlement Scheme ends on 30 June 2021 for EEA nationals (and their families) working in the UK up until 31 December 2020. Many workers are furloughed who need to fill this information in, so there could be challenges.
- Pig farmers have highlighted the impact on the cull sow trade – whose main customers are in Germany for cured meat and salami - as UK slaughterhouses are currently not buying former breeding sows due to fears over the cost of sending shipments which could be rejected. UK supermarkets do not have sow meats in their sausages. There are concerns that they might be squeezed out of their well-established trading partnerships in Germany.
- Cycle shops have highlighted that shipping costs are through the roof. Some of their bicycle suppliers are based in Europe - the likes of Bianchi and Ridley - but they are either suspending shipping until the middle of January, when more is known about how the new tariffs will work or factoring in 5% to 10% price increases to cover the extra costs. Anticipating massive shortages of bicycles later in the year.
- A studio which regularly sells posters to customers in Europe, but those customers are now facing additional taxes (brokerage charges and sales tax) which is likely to put them off buying from small independent UK businesses.
- Many firms had delayed considering issues until the dust settled on this but have now been hit by the Covid-19 pandemic. There will be some unknown issues

(opportunities and challenges) that were not foreseen, and these will be monitored as they come through.

**LEP activity:**

**Communications:** The LEP is regularly updating its business script for Growth Hub business advisers and partners engaging with businesses. This includes all of government's most up to date technical notices and guidance for businesses following the deal and offers a local flavour for conversations. This script is updated weekly and circulated to 80 recipients across the LEP, Growth Hub, local authorities, and other business support organisations.

The business-facing information from the script is also on the LEP's EU exit website pages, including details of upcoming local and national webinars and useful downloads.

**Growth Hub Support:** The Growth Hub continues to run, collectively with partners in our Ox-Cam Arc Growth Hub cluster, a series of webinars for businesses which continue to March 2021, providing businesses with updates on key issues. Events held so far have reached c.40 businesses at a time on issues such as the new trading landscape; importing and exporting; border changes; developing overseas markets; and effective supply chain management.

In comparison to Covid-19, business enquiries to the Growth Hub have been low in recent weeks. We expect this demand to increase significantly in the coming weeks and months now the trading relationship with the EU has been established and businesses seek local guidance and support.

**Outreach Support:** Following the BEIS funding secured before the end of 2020, New Anglia LEP has undertaken a tendering process to outsource the delivery of outbound telephone and email contact with businesses, to secure the required capacity and expertise from V4 Services.

The contract is valued at £110,000. Under the contract, the provider will contact and proactively engage with at least 3,500 business across Norfolk and Suffolk, providing them with a greater awareness of the steps they need to take following the deal. To count as an output, the support must last at least ten minutes and provide the business with EU Exit help and advice from a list of agreed of subjects outlined in the tender specification, which is in line with our agreement with BEIS. The contract holder will also provide specialist advice to at least 100 businesses from a list of agreed of subjects outlined in the tender specification, which is in line with our agreement with BEIS. To count as an output, the specialist advice must be of at least three hours in duration.

In terms of operation, the support service will target SMEs that are more likely to be impacted by the UK leaving the EU, through a rolling target list of SMEs for V4 Services to contact each week. V4 Services will provide the LEP with a weekly business intelligence report that will be used to feed into the LEP's weekly report as well as inform the targeting process, which can be fine-tuned each week. The service will also be used by the Growth Hub as a way of providing enquires with specialist EU Exit help and advice, alongside the work that Suffolk Trade Advisors are also providing.

The contract runs from the 11th January 2021 to the 31st March 2021. The relationship between the Growth Hub and V4 Services will be seamless and both will have copies of the business scripts so that businesses receive the most up to date and informed advice locally.

**Business Intelligence:** The LEP continues to share weekly business intelligence returns with central government, local government and MPs capturing intelligence around the UK's new trading relationship with the EU and Covid-19. This will capture the proactive outreach work of V4 services.

From the BEIS funding, there is £14.5k allocated for intelligence and reporting. This will inform both our intelligence returns, but also our investment plan and the longer-term economic recovery plans, so that we can take advantage of opportunities present in the future trading relationship with the EU and the rest of the world and support businesses with their economic recovery from the pandemic.

The information that we capture in the coming weeks, months and year(s) is key to assess how the introduction of the new relationship, immigration system, border controls and state aid rules impacts businesses, and we can flag this in the returns and adapt our support locally.

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**New Anglia Local Enterprise Partnership Board**  
**Wednesday 27<sup>th</sup> January 2021**

**Agenda Item 8**

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**Agri-Food Industry Council Report**

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Author: Madeleine Coupe, Emma Taylor      Presenter: Corrienne Peasgood

**Summary**

This paper provides an update on the work of the Agri-Food Industry Council, one of the three industry councils set up by the LEP as formal LEP sub-boards to drive forward the Norfolk and Suffolk Local Industrial Strategy.

**Recommendations**

The Board is invited to:

Note the contents of the paper and sub-board report (Appendix A)

Endorse the approach to reconfiguring the Council's structure to enable greater private sector engagement.

**Background**

In 2019 the LEP convened three Industry Councils to drive forward the aspirations of the draft Local Industrial Strategy in the three strategic areas of energy, agri-food and digital. The Agri-Food Industry Council (AFIC) was established as a strategic public/private sector partnership group to provide a focus for decision making and leadership for the agri-food sector. The AFIC acts as the LEP's sector group and provides the strategic direction in delivering the aspiration to be recognised as a leading agri-food region.

The 22 members of the AFIC are drawn from across the agri-food sector in Norfolk and Suffolk and include representatives of food and drink businesses, farmers, farmer & landowner organisations, research institutions, utility companies, academia, show societies and other representatives from the private sector. The Council was established in September 2019 and meets three or four times a year. In September 2020, Corrienne Peasgood OBE, Principal of City College Norwich, took over the role of Chair from Doug Field OBE.

**Agri-Food Industry Council: objectives and delivery**

The AFIC has developed a delivery plan which outlines a set of strategic objectives and scope of work which support the delivery of the Economic Strategy and Local Industrial Strategy.

1. **Supporting business recovery**, promoting long term growth and ensuring business resilience.
2. Explore ways of **attracting inward investment** to increase the volume and value of food processing within Norfolk & Suffolk.
3. **Collaborate with partners** including Lincolnshire, Cambridgeshire and Peterborough leveraging the existing strengths of Agri-TechE to realise the collective power as the **UK centre for hi-tech, precision agriculture and food production**.
4. Support the development of a **Food Innovation Centre** based at the Food Enterprise Park at Honingham Thorpe in Norwich, to deliver regional business growth through innovation, productivity, processing. Also support the further development of the wider Norwich Food Enterprise Park.
5. Develop a **world-leading hub for plant and microbial research** at the Norwich Research Park.
6. **Understanding, supporting and developing the Clean Growth agenda** for the agri-food value chain.
7. Enabling Growth in the New Anglia Agri-food sector through **skills development**.

The AFIC currently has four sub-groups: Skills, Business Intelligence, Inward Investment and Transformational Projects, each of which links to key LEP officers and workstream.

#### **Key Achievements to date:**

The following are the key initiatives set out in the Norfolk and Suffolk Local Industrial Strategy.

- **Food Innovation Centre:** a new innovation support centre, with 13 food-grade units on site, will be built at the Food Enterprise Park. The project lead is Broadland District Council, with New Anglia LEP as a co-investor (subject to confirmation of ERDF funding, and other contractual processes), and Hethel Innovation and UEA as delivery partners. ERDF funding for the capital build, and an associated innovation support service to be delivered by Hethel Innovation and UEA, is currently in appraisal. Design for the capital build is well underway, with RIBA Stage 2 designs completed by Christmas, and Stage 3 in preparation. In the meantime, the project partners have developed a Business Engagement Group for the project, with AFIC representation, and are developing the wrap around support offer. Funding approval is expected spring 2021, with the revenue support programme available 2021-3, and the capital build due to be completed in summer 2022.
- **Agri-Food Intelligence and Feasibility Project:** On behalf of the AFIC, a partnership of the LEP, Norfolk County Council and Suffolk County Council contracted Savills Rural Research to carry out a study on the opportunities and supply chain for of the sector. The output of the report – a list of 200 businesses and recommendations – has been reviewed by the Council and will help to inform and progress the work of the Council and its sub-groups. It also provides excellent case study content for the Norfolk and Suffolk Unlimited website and associated campaigns.
- **Regional Agri-Food Narrative:** building on the business intelligence gathered from industry partners at the AFIC, the first edition of a new regular sector report, *Agri-food in Norfolk and Suffolk*, has been developed, covering key success stories, sector statistics, along with challenges and asks of Government. The first edition was circulated to a number of stakeholders including DEFRA, BEIS and Local Authorities. Another edition is being planned for February to pick up intelligence on the impacts of Brexit. This report is a starting point for working with neighbouring LEPs to develop the common threads of a regional narrative in 2021.

## **COVID-19**

The AFIC responded quickly to the pandemic and the significant impact that it was having on food supply chains. Bringing together industry stakeholders on the Council gave an invaluable opportunity for sharing information to help address some of the challenges. The Council supported the response and recovery by:

- Council members worked proactively with New Anglia LEP to develop a supply chain matching service which successfully found new customers for a wide range of products originally intended for the food service industry.
- Regular 'State of the Nation' roundtables provided a wealth of business intelligence which helped to inform recovery planning and was fed into Government through the LEP's weekly intelligence return.

## **Looking Ahead – initiatives to support the sector**

The Agri-food Industry Council also works to identify and support major initiatives which have the potential to support the sector to grow. Over the coming months, the LEP will be considering some of the following with stakeholders –

- Any capital development needs to support supply chains, distribution and storage
- Further development potential at our Food Enterprise Zone sites in Norfolk and Suffolk
- Potential capital development opportunities arising from new methods of food production, for example vertical farming.
- Opportunities arising from an increased emphasis on natural capital and public goods in farming and food production
- Business support needs of food businesses as they face new challenges
- Inward investment potential and commercialisation opportunities for new research.

## **Looking Ahead – role of the Council**

The AFIC is keen to further develop the Norfolk and Suffolk Unlimited agri-food narrative, as well as regional partnership working, a key LIS intervention. The AFIC will also be closely involved in supporting the delivery of the Food Innovation Centre cluster initiative. In addition, building on the work undertaken by Savills, the newly formed Inward Investment sub-group will work with the Inward Investment Team to investigate areas of competitive advantage and specialist opportunity, and to support the development of propositions.

In addition, the governance structure for the AFIC is currently under review to ensure that there is full representation from across all parts of the sector, as well as opportunities for contributions from Local Authority partners and other relevant organisations. One of the key aims will be to ensure continuing business intelligence input from the sector into future editions of the Agri-Food report and LEP feedback to Government.

## **Recommendations**

The Board is invited to:

- Note the contents of the paper and sub-board report (Appendix A)
- Note and support the approach to reconfiguring the Council's structure to enable greater private sector engagement.



Appendix A  
Sub- Board Reporting

<b>Sub-Board:</b>	<b>Agri-Food Industry Council</b>	
<b>Representatives:</b>	<b>LEP Board: Corrienne Peasgood</b>	<b>LEP Team:</b>
<b>Meeting Frequency:</b>	<b>Quarterly</b>	
<b>Key Objectives and their link to the NSES and LIS</b>	<b>Update on actions / activity</b>	<b>Next Steps</b>
<p><b><i>NSES: Our Offer to the World</i></b> <b><i>LIS: Agri-Food</i></b></p> <p><b><i>Collaborate with partners including Lincolnshire, Cambridgeshire and Peterborough leveraging the existing strengths of Agri-TechE to realise the collective power as the UK centre for hi-tech, precision agriculture and food production</i></b></p>	<p>Develop the evidence base on Norfolk and Suffolk’s sectoral strengths to underpin the regional narrative and sharpen our inward investment offer.</p> <p>Through the Savills Rural project, a set of outputs has been delivered:</p> <ol style="list-style-type: none"> <li>1. <b>Competitive Advantage:</b> a strategic review of unique agri-food offering of Norfolk and Suffolk including a detailed summary of the primary outputs and food chain actors.</li> <li>2. <b>The Norfolk and Suffolk research base:</b> mapping the regional agri-food research capability (both private sector and public sector)</li> <li>3. <b>Role and influence of food trends</b> – a detailed analysis of the potential market opportunity of key crops related to emerging agri-food trends relevant to Norfolk and Suffolk</li> <li>4. <b>A revived regional food offer:</b> initial research into whether a new (or revived) ‘regional food offer’ would be advantageous to the Norfolk and Suffolk agri-food economy, with analysis of three major regional food initiatives.</li> <li>5. A narrated database of 200+ noteworthy Norfolk and Suffolk <b>agri-food businesses</b> developed to provide rich understanding of the region’s specialisms and strengths.</li> </ol> <p>The report was primarily an evidence base, and granular examination of the sector to inform our work across the board, but recommendations included –</p>	<ul style="list-style-type: none"> <li>- Review the recommendations in the Savills report, prioritise and plan for delivery.</li> <li>- Feed into the developing Inward Investment strategy to inform propositions.</li> <li>- Produce a detailed list of relevant conferences taking place in a range of geographies during 2021 (&amp; 2022), together with a costed plan for which types of businesses we’d expect to attend each event, why &amp; how.</li> <li>- Grow and augment the Agri-Food report.</li> <li>- Work with neighbouring LEPs to develop a regional narrative and messaging on the sector</li> </ul>

	<ul style="list-style-type: none"> <li>• Suggestions of new crop and other commercialisation developments which could be explored</li> <li>• Ideas for encouraging processors to source more raw materials locally</li> <li>• Developing the potential of the A14 corridor as a focus for food sector investment</li> <li>• Supporting artisan producers with signposting to advice on distribution and marketing tools to grow</li> <li>• Suggestions for widening the view of innovation opportunities in the agrifood sector to include tech and engineering sectors in new thinking.</li> <li>• Next steps in exploring the potential for regional branding and marketing if we decide to do so.</li> </ul> <p>Published a first edition of the Agri-Food Report outlining nationally significant news stories, highlighting the size and value of the sector, challenges, opportunities and ‘ask’ of Government.</p>	
<p><b><i>NSES: Collaborating to Grow LIS: Agri-Food</i></b></p> <p><b><i>Supporting business recovery, promoting long term growth and ensuring business resilience</i></b></p>	<p>Develop knowledge of short- &amp; medium-term challenges arising from the UK’s exit from and transition away from EU membership, and its recovery from the COVID-19 pandemic and inform LEP interventions.</p> <ul style="list-style-type: none"> <li>- Regular ‘<b>State of the Nation</b>’ updates at Board meetings provided rich intelligence which formed part of the LEP’s dispatch to Government.</li> <li>- Support for key initiatives including <b>Call 4 Fish</b> and <b>Flavour Connexions</b> which provided a ‘match making’ service to food and drink firms and seafood suppliers find buyers for their produce during the Coronavirus lockdown.</li> <li>- Initiated work into the feasibility of setting up a regional branding and distribution vehicle to capitalise on move of consumers to buy more locally sourced produce caused by the pandemic. Gathered examples of other regional schemes and their efficacy.</li> </ul>	<p>Business Intelligence sub-group to engage with food processing and manufacturing businesses in Norfolk and Suffolk to gather intelligence on the barriers and opportunities for growth in the region.</p> <ul style="list-style-type: none"> <li>- Continuing to feed into the Business Intelligence workstream with reference to impacts of the pandemic and Brexit.</li> <li>- Further investigation into the regional branding and distribution scheme. Examination of demand and set-up.</li> <li>- Improve and develop engagement with the fishing sector</li> </ul>

<p><b>LIS: Agri-Food</b>  <b>NSES: Driving Business Growth and Productivity</b></p>	<p>Support and inform the development of the Food Innovation Centre, with a particular focus on –</p> <ul style="list-style-type: none"> <li>• Suggesting themes and approaches for the support programme that will be welcomed by businesses in the sector</li> <li>• Engaging businesses to enable the project team to generate a pipeline of businesses seeking support</li> <li>• Working with UEA and other partners to support and encourage the development of an innovation cluster of food businesses as part of the project</li> </ul>	<p>The Food Innovation Centre project will be a focus for main Council meetings in 2021, as well as receiving support and specialist advice from the business intelligence and inward investment sub-groups of the Council.</p>
<p><b>LIS: Agri-Food</b>  <b>NSES: Skills</b>  <b>Enabling Growth in the New Anglia Agri-food sector through Skills Development</b></p>	<p>. The New Anglia LEP Agrifood Skills group also reports to the Skills Advisory Panel. Its key AFIC priorities in 2020 were –</p> <ul style="list-style-type: none"> <li>• Ensure the needs of agri-food businesses are reflected in the design and development of new training and support programmes</li> <li>• Active participation in the development of HE education provision for the agri-food sector in Norfolk and Suffolk to ensure sector needs are met.</li> <li>• Ensure participation and attendance at skills careers events and engagement in school careers activity by Council members (limited in 2020 by the pandemic)</li> </ul> <p>The group has also played a crucial role in monitoring labour supply and demand for agri-food businesses during the pandemic and in the light of changes to labour supply as part of the process of leaving the EU. Feedback from the group has been included in briefings to BEIS and Defra during 2020.</p>	<p>.These priorities will continue in 2021.</p> <p>The group will also play a key role in supporting the labour needs of the sector, highlighting successes as well as reporting on issues and gaps where further support is needed.</p>
<p><b>LIS: Agri-Food</b>  <b>NSES: Collaborating to Grow</b></p>	<p>In August, working with Agri-TechE a list of potential ‘transformational’ projects was developed - initiatives with the potential to make a substantial difference to the agri-food sector,</p>	<p>A high level business case briefing to be developed for each project.</p> <p>Key connections made.</p>

<p>Develop a prioritised list of transformational projects which will make a real impact on the environment, and agri-food economy in Norfolk &amp; Suffolk.</p>	<p>and its businesses, in respect of recovery and growth following the difficulties presented by Covid-19.</p> <p>A series of ten potential projects were identified and presented for consideration at the September Council meeting.</p> <p>This work has now been delegated to the Transformational Projects sub-group who is tasked with developing a set of projects to outline business case to be submitted for consideration on the LEP's Investment Plan.</p>	<p>Business cases submitted for consideration on the LEP Investment Plan.</p>
<p><b>NSES: Collaborating to Grow</b> <b>LIS: Clean Growth</b></p> <p>Improved dialogue &amp; interaction between the AFC &amp; its equivalents including the Digital Tech Council, All Energy Industry Council, and Innovation Board.</p>	<p>The Agri-Food Industry Council has attended the Innovation Board and provided an update on the work of the Council as well as an introduction to the Food Enterprise Park.</p>	<p>The forward plan for 2021 includes looking at the opportunities around Agri-food and Energy, Digital and Energy as well as Agri-food and Digital.</p>

**Author: Chris Starkie**

### **Summary**

This report provides an overview of LEP team activities since the November board.

The report is split into five parts, reflecting the different strands of LEP activity:

- 1) LEP managed programmes
- 2) Strategy
- 3) Industry Councils, sector groups and external partnerships
- 4) Engagement and promotion
- 5) Governance, Operations and Finance

The media dashboard is attached as Appendix B to the report.

### **Recommendation**

The board is asked to note the contents of the report and to approve an advance contribution to the Food Innovation Centre project of up to £151k to enable the scheme to proceed to RIBA design stage 4.

### **Highlights**

#### **New Year’s Honours Award**

Former New Anglia LEP chair Doug Field was awarded an OBE in the New Year’s honours. The award was for services to business in Norfolk and Suffolk. All involved with the LEP are naturally delighted for Doug. Business Minister Paul Scully has written to Doug congratulating him on his award and the work of the LEP. The letter is appended to the report as Appendix A.

#### **Business Resilience and Recovery Scheme**

Project approvals are continuing, with 112 projects agreed to date, providing grants valued at £4.3m. The programme has attracted £6.6m of private sector match funding – giving a total value of £10.9m for the 112 projects. Investment in the approved projects will create 182 Full Time Equivalent (FTE) jobs and safeguard 2,533.

#### **Peer Network Programme**

As of 13 January, 151 businesses have been recruited onto the programme. Twelve cohorts are up and running with three new cohorts starting w/c 18 January and invitations are currently being sent out for two further cohorts to start w/c 25 January. We hope to reach the target number of 18 cohorts in the first week of February.

#### **Getting Building Fund**

Work has begun on another of the projects funded through our Getting Building Fund - Great Yarmouth’s new seafront Marina Centre. A virtual ground-breaking ceremony was held on 7 January 2021 to mark the milestone. The development, supported with £2.5m from the Getting Building Fund, will deliver a new health and fitness centre.

#### **Interreg France Channel England funding programme**

The LEP is working with seven other organisations in France and England, including Norfolk County Council, on a COVID response bid led by Kent County Council to the Interreg France Channel England funding programme. If successful, the project will bring around £1m funding to the LEP for activity which enhances our response to the pandemic.

#### **Support with Covid-19 and EU Exit business messaging**

Business support scripts for Covid-19 and EU Exit continue to be updated and circulated to partners at least weekly. Over the Christmas period, we shared information about Tier 4 lockdown restrictions and support available with more than 10,500 businesses on our database.

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**1) LEP Programmes**

**Business Support**

**New Anglia Growth Hub**

A combination of another lockdown and the end of the EU transition period means the Growth Hub is facing a significant challenge to ensure it can provide businesses with the advice and guidance that they need.

However, we are working with a range of partners to ensure that the service we provide continues to be of the highest quality.

With the announcement of an EU Exit deal just before Christmas, we worked with the National Business Support Helpline to ensure that expert help and support was available throughout the Christmas and New Year period, with a number of the LEP Executive team picking up enquiries that needed wider forms of business support.

As we move into our third lockdown we have seen a further increase in the number of enquiries, and we are working with colleagues from a range of organisations to ensure that the quality and level of support provided remains high.

**Peer Network Programme**

As of 13 January, 151 businesses have been recruited onto the programme. Twelve cohorts are up and running with three new cohorts starting w/c 18 January and invitations are currently being sent out for two further cohorts to start w/c 25 January. We hope to reach the target number of 18 cohorts in the first week of February. In the meantime, we have undertaken renewed marketing efforts, with promotional e-shots being sent to businesses through the Growth Hub, business intermediaries and sector groups.

Government has indicated the programme may also run in 2021/22.

**Start-Up Programme**

The number of people coming forward seeking support to start their own business continues to be at a high level, with NWES and Menta continuing to provide virtual based workshops and one-to-one sessions. It is expected that the combination of a new year, EU Exit and a third lockdown will increase demand even further, with NWES and Menta confirming that they have sufficient capacity to meet this increased need for support.

**Business Grants**

**Business Resilience and Recovery Scheme**

Project approvals are continuing, with 112 projects agreed to date, providing grants valued at £4.3m. The programme has attracted £6.6m of private sector match funding – giving a total value of £10.9m for the 112 projects.

As of 11<sup>th</sup> January 2021, there were 5 grant applications with a combined value of £201,850 in the pipeline, being supported by the Growth Hub. There was one application with the panel with a grant request of £50,000.

Investment in the approved projects will create 182 Full Time Equivalent (FTE) jobs and safeguard 2,533. Of the 112 businesses supported, 70 are in Norfolk (£2.6m) and 42 are in Suffolk (£1.7m).

**Visitor Economy Grant Scheme (VEGs) and Wider Economy Grant Scheme (WEGs)**

Both schemes continue to be extremely popular with 175 SMEs applying seeking support of £470k. Of these, 130 grants have been approved for funding totalling £346k.

A further 32 applications for grants totalling £91k are currently under development. In the next month we expect to allocate all the funding, with a focus on ensuring that all the claims can be processed, paid and claimed by the end of March 2021 deadline.

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**Small Grant Scheme**

The number of applications coming through to the Small Grant Scheme has continued to pick up, with the amount of funding unallocated now below £75k. At the current rate of approval, the scheme should be fully committed by early February. We are continuing to discuss the future of the scheme with MHCLG, with a range of options available ensure that the scheme continues beyond the current end date of November 2021.

**Growing Business Fund**

Interest in the GBF has continued to increase with more applications coming forward, particularly from the manufacturing sector. As of the 11<sup>th</sup> January there is £950k left in the budget with four projects totalling £1.12m going through the due diligence and approval process and going for decision to the January and February approval panels. We continue to prioritise applicants that can demonstrate that their project is able to spend and claim the required funds before the end of March 2021, to ensure that our 2020/21 funding is fully allocated and spent.

**Eastern Agri-tech Initiative**

Funds within this scheme are now fully committed, and the grant scheme is closed to new applications in both the Cambridge and Peterborough Combined Authority (CPCA) area and New Anglia areas. Applicants are being signposted to alternative funds where they exist.

The CPCA has agreed to fund all applications in West Norfolk and West Suffolk (the previous shared area) and an additional project in Norfolk.

This means the New Anglia funding of £1m for this phase has secured added value of a further £300k of grants, plus the match funding from the individual projects. A series of case studies are planned on the successful projects to highlight the achievements of the scheme. Work continues to ensure all grants are claimed before 31<sup>st</sup> March 2021.

Lane Farm, who are presenting to January’s board meeting, are a recipient of funding from the Eastern Agritech Initiative. A pig rearing and finishing business based in Brundish in Suffolk, they received a grant of £150k towards a £300k project to improve packing and wrapping facilities for their charcuterie produce.

**Growth Through Innovation**

Since the 1<sup>st</sup> April 2020 twenty-four projects have been approved, totalling £390k, which means the scheme the project well on its way towards the £483k target by the end of March 2021. The average grant value approved to date has slightly reduced to just over £16k and we have four projects totalling £90k in the pipeline, with anticipated approval before the end of March.

**LEP Innovative Projects Fund**

**Innovative Projects Fund 1 (2018 Call) - £500,000.**

IPF1 Summary: Seven projects with a combined allocation of £539,531.

All projects are now in the delivery phase except for the Ipswich Cornhill Project (year one) which has been completed. £84,757 has been claimed so far in this financial year. The total project spend to date is £476,299. Public match funding of £138,704 and Private match funding of £112,836 has been levered in. Norfolk County Council’s Project ‘Building Supply Chain Skills Capacity’ is being re-launched under the new name ‘Gearing Up to Grow’ in partnership with EEEGR.

**Innovative Projects Fund (2019 Call) - £1.5m**

IPF2 Summary: 18 projects with a combined allocation of £1.522m.

Fifteen projects now have their Grant Offer Letters and have commenced. £174,186 has been claimed so far in this financial year. Private match funding of £26,450 and public match funding of £ 128,962 has been levered into the region.

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Of the remaining three projects, 2 projects are finalising details prior to Offer Letter stage and the 3rd (SCC Transport Innovation Hub) is yet to return a re-profile proforma.

**Growing Places Fund**

A further repayment of £200,000 was received from the Atex Business Park loan in December.

The New Wolsey Theatre has drawn down its £255,000 grant, enhancements to the theatre and its new facilities have progressed very well. The Saxmundham Creative Enterprise Hub, which has received a grant of £55,000, opened its doors at the start of the year, a major achievement for the project to reach this stage, despite the pandemic.

A very healthy pipeline of projects is developing, particularly with businesses keen to apply for LEP loan finance to support their growth. This suggests a good appetite from businesses for this LEP loan product going forwards.

**LEP Growth Deal (Capital Growth Programme)**

Good progress is being made with the delivery of the University of Suffolk’s DigiTech Centre at Adastral Park. The project, supported with approx. £6.5M of Local Growth Fund, is a collaboration between the University and BT to provide training in cutting-edge digital skills for people looking to pursue careers in the Information and Communications Technology sector.

Phase 1 of the works were completed and handed over to the University on 19 November 2020 for fit-out with furniture, workstations, networks, servers, and other equipment to create specialist laboratories. The facility is expected to welcome its first students in January 2021. This coincides with the introduction of a brand-new MSc in Data Science and Artificial Intelligence. Works are ongoing and final elements of the project are expected to be completed over Summer 2021.

**Getting Building Fund**

Work has begun on Great Yarmouth’s new seafront Marina Centre. A virtual ground-breaking ceremony was held on 7 January 2021 to mark the milestone. The development, supported with £2.5m from the Getting Building Fund, will deliver a new health and fitness centre, accommodating a wide variety of community, sports, and leisure activities to increase health and well-being. It is also expected to help revitalise the visitor economy and stimulate wider regeneration. Piling of foundations will take place over winter, the steel structure will go up in spring and cladding during summer 2021, with an opening scheduled for summer 2022. Construction will also support the local economy, with 75 per cent of the supply chain being drawn from local businesses.

### **New Anglia Capital**

The full New Anglia Capital report can be found in the main board paper pack as item 11 on the agenda. The format has been updated since the previous report and will be further updated in terms of layout for the July 2021 version.

### **NAC support contract**

New Anglia Capital, supported by the LEP Board, have previously agreed a £240k investment into Anglia Capital Group (ACG), the delivery partner of NAC, to support ACG’s move to become regulated and to provide a long-term arrangement for the delivery of the NAC objectives.

Following further discussion of the investment opportunity and consideration of alternatives, the NAC Board determined at their December 2020 meeting not to continue with the investment, which has not been paid, preferring to continue with an amended service contract with ACG. The board considered this to be the best solution to both maintain the independence of ACG and also in terms of timing and the ongoing availability of funding for NAC. This change is not reflected in the current version of the NAC Board report, but the financial information will be fully updated for the next report. A revised contract will now be negotiated with ACG.

### **Enterprise Zones**

#### **Suffolk Park, Bury St Edmunds**

Treatt’s new 112,000sq ft HQ building on the Suffolk Park EZ off the A14 at Bury St Edmunds is now complete and fit out is underway. The company is consolidating its operations from six separate buildings onto this one site. Treatt is a global flavours and fragrances business, and an important local employer, based in Bury for nearly 50 years. Treatt has been retained in the local area thanks to the benefits of EZ status and through partnership working between the company, the LEP and West Suffolk Council.

#### **Futura Park, Ipswich**

Construction of the 19 new commercial units by Chancerygate at Futura Park in Ipswich has been completed. Further utilities work e.g. electricity installation and connection is underway and due to complete shortly. There continues to be positive interest in the units with announcements expected in the coming weeks.

### **Enterprise Zone Accelerator Fund**

#### **Norwich Research Park – Zone 4 Building - £2.5m**

Dr Ella May Barnes’s family have confirmed they are very happy for her name to be used for the Zone 4 joint LEP/SNC building. Dr Barnes was a pioneering scientist working at the Food Research Institute (forerunner of the Quadram Institute) in areas such as antibiotics, gut flora and poultry health. Dr Barnes’s work continues to be relevant today – she proved that antibiotics should not be added to animal feed as it led to the presence of antibiotic resistant strains of bacteria. Dr Barnes was awarded an OBE in 1978. A plaque to honour Dr Barnes and provide

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information about her work, as well as information on the building's funders, will be put up in reception.

Meanwhile construction work by RG Carter will be completed by February 2021. Stage 2 of the fit out is expected to be finished in May/June 2021. South Norfolk Council have claimed the full balance (£2.5 million) of funds awarded for the Zone 4 building. The project is set to deliver 19,000 sq ft of Commercial Floor space.

**NRP Road Infrastructure and Roundabout Installation from Hethersett Lane (£1.5million)**

Construction of the Hethersett Lane roundabout and related road infrastructure started on 4th January. The road is now closed to traffic. All works are due to complete by May 2021. Total amount claimed to date is £1,109,751.71.

**Inward Investment - Confidential**

**2) Strategy**

### **Local Resilience Forums and Health Protection Boards**

The LEP is working closely with the Resilience Forums in Norfolk and Suffolk on the assessment of the UK-EU deal and on Covid-19 supporting the economy around the distribution of government business support grants through local authorities; and supporting businesses through the provision of case studies where businesses have successfully implemented Covid-19 prevention measures.

The LEP has secured funding from the Suffolk Control Outbreak Management Fund (COMF) to deliver a Peer to Peer digital campaign to develop a number of short videos sharing best practice of businesses that have implemented preventative measures and to deliver Targeted webinars offering support for businesses around new areas (managing staff behaviour, new regulations, implementing COVID safe for customers, workforce testing). A bid has been submitted to the Norfolk COMF to expand this work to cover Norfolk.

### **Brexit / end of transition period**

See separate report – agenda item 7

### **Economic Evidence Base**

A refreshed economic indicators dashboard will be provided for the February board, this will capture key indicators around how the local economy is faring.

There has been a unilateral delay in terms of data flowing through from ONS in January, which means until the end of this month (at the earliest), we won't see much in the way of meaningful updates relating to key economic indicators.

### **Programme evaluation**

The procurement framework is now in place with seven suppliers appointed onto the framework. We are now in the process of finalising the scope for the first evaluations (Growing Places Fund, Growing Business Fund, Eastern Agri-Tech Initiative) as well as carrying out a high-level review of the LEP's programmes portfolio. This work will commence in April, with a view to being completed by the end of June 2021. In the meantime, we are currently developing the process for allocating work to suppliers on the framework. We are looking to approach suppliers towards the end of February/early March.

In addition, a review of the LEP's programme of evaluation is now underway. This is an annual review, which will identify further plans for evaluations in the coming financial year – which can be incorporated into the scope for evaluation if we feel this is appropriate.

**Skills Advisory Panel (SAPs)**

A Local Skills Report has been drafted as part of our funding requirement from the Department for Education. This is a comprehensive document highlighting the skills landscape, level of education, changing sector focus and the work of the SAP over the last year plus skills investment.

The report has been circulated to a wide number of stakeholders in the run up to Christmas with the aim of being signed off by the SAP later this month.

It has been a comprehensive piece of work but it appears that we are the first LEP to submit our draft into DfE.

This report will help to further focus the work of the SAP in 2021.

**Apprenticeship Levy Transfer**

Levy Transfer requests for December has been brisk, with a further 32 pending approval for January starts. With these approved, it brings a total of 172 transfers since the beginning of the project with a value of £1,408,906. These recent requests are for the following sectors: social care, education, horticulture, and working with New Anglia Apprenticeships, Norfolk based ATA.

A recent development and still in the application process, is working with the Suffolk and Waveney CCG and the UEA promoting the Level 3 Pharmacy Technician Apprenticeship for both the independent pharmacies and the NHS. There are currently nine positions advertised in Norfolk and will be seeking transfer for a February start.

The demand for transfer is still exceeding the availability of available funds within the time frame of when the funding is needed. The lag is due to the time spend for the transferring company to decide on the approval. However, a meeting with BT National Apprenticeship Team should be fruitful and support further transfers.

**EAN and Careers Hub**

The EAN in collaboration with STEM Learning will be hosting an LMI Week from the 1<sup>st</sup> of February consisting of sessions from representatives from the three Growth Sectors of ICT/Digital, Agri Tech and Clean Energy. Sessions will be run from 16:30 to 18:00 during the week via Zoom. Migrating schools to the Careers Leads dashboard of Compass + continues to be a priority with New Anglia outperforming CEC’s National average to date.

The Network will be supporting the National uptake by recording informative webinars with local schools who are utilising the tool. During February the EAN will be collaborating with Speakers for Schools on two webinars showcasing virtual work experience to schools and businesses.

**Skills Data**

A broad statistical evidence base has been compiled to support the Norfolk & Suffolk Local Skills Report’, this work has drawn extensively drawn on a large dataset provided by DfE blended with intelligence and data we have compiled at a more local level. The evidence is designed to facilitate LEP to LEP comparisons across England, and, forms a fundamental pillar of our on-going assessment and definition of priorities for the Norfolk & Suffolk SAP, and supports the evidence base developed for the Local Industrial Strategy and the Economic Recovery Plan.

**Decarbonisation Academy**

The New Anglia LEP alongside the Energy Systems Catapult held an information session on the 15<sup>th</sup> December updating partners on the national proposal and the aims/objectives for the Norfolk and Suffolk pilot which was well attended. The next step is for four task and finish groups

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covering: Curriculum, Decarbonising Infrastructure, Market Forces, Research and Commercialisation to be set up in January to begin developing a plan for Norfolk and Suffolk, understanding what infrastructure we need to have and when - Including curriculum and asset mapping.

### **Infrastructure**

#### **Transport Board**

Working alongside Transport East the Board submitted a response to the DfT Union Connectivity Call for Evidence. The response focused on those questions where we can make a strong case that improving connectivity in our region will benefit the UK, sets out our plan for growing the economy and improving quality of life, other infrastructure needed to maximise transport improvements and sets out the details of three strategic corridors identified by Transport East where improvements would improve connectivity.

#### **Transport East**

Senior officer group met in December where the agenda and plan were agreed for both the interim forum in January and the Summit in March. Transport East strategy development continues with several workshops held in December and a ports and logistics roundtable is arranged for February. The strategy engagement is due to complete in March with a draft strategy produced by May 2021.

#### **Ely Task Force**

Update on the EACE programme in November including a presentation from DfT on output definitions. Related to this the East West Rail Eastern Section Executive Board have also met, where it was explained that the Eastern Section Interim-Strategic Outline Business Case will explore:

- Half-hourly Ipswich/Norwich passenger rail service to Cambridge
- A direct bi-hourly Ipswich/Norwich to Oxford passenger rail service
- A rail freight route from The Port of Felixstowe to Oxford
- Faster journey times.

Further work has been required on the Strategic Case and a draft should be circulated shortly.

### **Utilities**

Water Resources East announced the launch of their Integrated Environmental Assessment (IEA) Scoping Report, which supports the development of their regional plan. The first part of this process is developing an understanding of the environmental context related to the region and defining a framework of environmental assessments.

### **Energy**

Electric Vehicles – New Anglia LEP alongside the GSEEH held a EV supply chain forum with businesses/organisations across the private sector. The feedback from this forum will be presented to the Joint EV working group in January with the aim of identifying 2-3 focus areas where the private and public sector can collaborate to accelerate roll out.

#### **Greater South East Energy Hub**

Next Board meeting on the 19<sup>th</sup> January. The December board shared a summary of the modelling of future energy scenarios by Network Operators across the region and agreed the focus of supporting the public sector decarbonisation scheme and green homes grant local authority delivery. The timescale for delivery of the green homes grant has been brought forward and will require 75% of measures to be installed by September 2021 and completion of projects by December 2021. The anticipated allocation to GSEEH is £80m.

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### **European Structural Investment Funds (ESIF)**

Performance of Norfolk and Suffolk ERDF and ESF projects funded as part of the £80m investment from the national programme continues to be strong, despite the impact of Covid 19 on delivery. These programmes are being delivered to their full timescales in 2023 and continue to adhere to EU funding rules during that period.

### **National Reserve Calls – European Social Fund**

Applications were successfully submitted in November and December against £3.5m of local Calls issued by DWP at the request of the LEP on behalf of partners. Further call ideas are in discussion with DWP, both for local and national Calls, and are likely to be issued by summer 2021 at the latest to enable projects to be delivered before programme closure in Dec 2023.

### **National Reserve – ERDF**

Discussions are underway in Government on the best way to spend the remaining funds in the ERDF programme, with a likely preference for extensions for existing projects, including the New Anglia Business Growth Programme. Detailed proposals are expected early in 2021. There are also discussions underway on the possibility of extending or enhancing the Reopening High Streets Safely Fund which was issued via District Councils last summer; the LEP is coordinating feedback to MHCLG from Districts and participating in a stakeholder group for the funding on behalf of Norfolk and Suffolk recipients.

### **New funding announcements – 2020 Spending Review**

In the 2020 Spending Review, the Government reiterated its commitment to introduce a UK Shared Prosperity Fund (UKSPF) with at least as much funding as the EU Structural Funds (ERDF and ESF), on average around £1.5bn each year. £200m was committed to fund UKSPF pilot projects in 2021-22, prior to the launch of the new funding after current ERDF and ESF projects end in 2023. More information on priorities for the funding are expected shortly.

Also announced was a Levelling Up Fund, worth £1bn in England, to invest in local infrastructure to drive growth and regeneration in places of need, and where there has been less government investment in recent years. More information on the criteria for this fund is expected early in 2021.

### **Interreg France Channel England funding programme**

The LEP is working with seven other organisations in France and England, including Norfolk County Council, on a COVID response bid led by Kent County Council to the Interreg France Channel England funding programme. If successful, the project will bring around £1m funding to the LEP for activity which enhances our response to the pandemic. The project also involves an in-depth evaluation of Covid response interventions across the partnership, and the development of best practice case studies and guides for future emergencies.

## **3) Industry Councils, sector groups and external partnerships**

### **Sector Groups and Industry Councils**

#### **Visitor Economy**

The LEP, working with partners from Visit East of England, Local Authorities and DMOs held a consultation workshop (online) on 9<sup>th</sup> December. This provided an opportunity for partners to feed in ideas and issues to help form the basis of a new visitor economy action plan. The plan is intended to look ahead at the growth opportunities and main challenges facing this important sector in East Anglia with a view to preparing a bid to Government to be considered as a Tourism Zone with potential for additional support and funding. The sector has seen significant impact from Covid19 – particularly hospitality, cultural and arts venues, major attractions and high street

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retail – and a more collaborative approach to support the sector, extend the season and improve productivity going forward will be vital.

**All Energy Industry Council (AEIC)**

The production of a new energy sector recovery plan is nearing completion, developed by public and private sector partners from the AEIC. The plan is due to be presented to the LEP board in February and will be actively promoted from March onwards to various audiences – Government, businesses, inward investors etc – to help raise the profile of the sector and gain stronger interest in support of planned initiatives and investments to help with economic recovery.

**Innovation Board**

The development of the Innovation Prospectus (as per separate report) will help Norfolk and Suffolk raise the profile of its ‘innovation offer’, showcasing all of the main innovation hubs and centres, science and research parks and universities. This work has been led by the Innovation Board and Digital Tech Industry Council and helps form the foundation of the new ‘Connected Innovation’ programme which is expected to be launched in the coming weeks.

A number of innovation events, led by partner organisations, have taken place or are planned and these include:

Innovate UK is planning to run a major online event on 2-3 March entitled ‘Innovate East’. The event is aimed at supporting businesses with new ideas, funding opportunities and technologies with the event backed by a number of organisations such as universities, Catapults, KTN and LEPs (New Anglia and South East).

Digital Cyber Security event took place on 13<sup>th</sup> January, supported by the LEP working in partnership with Norfolk County Council, National Cyber Security Centre and the Norfolk and Suffolk Constabulary, with 26 attendees and very positive feedback.

Plans for the major BT AI Festival event are progressing and the LEP innovation team has supported BT with energy and agri-tech contacts and ideas to help promote cross sector opportunities as part of the event. The online festival is due to take place on 24<sup>th</sup> and 25<sup>th</sup> February with speakers expected from major organisations such as Cisco, Facebook and NASA.

**Cambridge Norwich Tech Corridor**

The Tech Corridor and the LEP Strategy Team hosted an EV Supply Chain Forum for businesses from Norfolk and Suffolk and beyond. The objective of the forum is to identify ways to enhance public and private sector collaboration to accelerate EV deployment.

The Tech Corridor secured funding from the Suffolk Inclusive Growth Fund to drive its cluster development work and programmes set up to support collaboration across the whole Corridor. As a result of the funding, the Tech Corridor team is in the process of recruiting a new team member to deliver programmes and events.

**4) Communications and Engagement**

**Support with Covid-19 and EU Exit business messaging**

Business support scripts for Covid-19 and EU Exit continue to be updated and circulated to partners at least weekly, and our website pages are updated to ensure business-facing information is up to date and easy to navigate. Over the Christmas period, we shared information about Tier 4 lockdown restrictions and the support available directly with more than 10,500 businesses on our database. We also responded to a number of media enquiries over the festive period about Covid restriction changes and Brexit announcements.

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**5) Governance, Operations and Finance**

This section provides an update for the board on any key operational matters as well as a headline summary of the LEP’s operational finances.

**Governance**

**Public Sector Equality Duty**

Equality and Diversity and Public Sector Equality Duty (PSED) training provided to all LEP staff on 30 November 2020, with Board members receiving training on 6 January 2021. A PSED checklist has been developed to evidence our compliance and ensure that this duty is considered across all areas of the LEP’s work.

**Annual Performance Review**

The APR meeting with Government is scheduled to take place on 28 January. The key change to the approach this year is the movement away from a marking (Exceptional to Inadequate) to an outcomes-based approach with findings of ‘met’ and ‘action needed’ taking account of mitigating circumstances. Also, an Indicative Outcome will be shared with LEPs ahead of the APR meeting and will be used to frame the discussion and focus on improvement areas. The outcomes of this review are anticipated during April 2021.

**Finance**

Management accounts for nine months to 31 December 2020 can be viewed under agenda item 13. These reflect the LEP’s consolidated position and include both core and programmes. A planning meeting with the company’s auditors in preparation for the forthcoming Audit & Risk Committee is scheduled to take place on 20<sup>th</sup> January. Price Bailey will present their Audit Planning Report to the committee which takes place 11 February 2021.

**Recommendation**

The board is asked:

- To note the contents of the report

**Confidential Recommendation**

- To approve an advance contribution to the Food Innovation Centre project of up to £151k to enable the scheme to proceed to RIBA design stage 4.



Department for  
Business, Energy  
& Industrial Strategy

Paul Scully MP

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14 January 2021

Dear Mr Field,

I would like to congratulate you on being awarded Officer of the Order of the British Empire (OBE) in the New Year 2021 Honours list.

This award recognises your services to Business in Norfolk and Suffolk. As Chair of New Anglia Local Enterprise Partnership (LEP), you helped create 2,500 jobs through the Local Growth Fund, including a Growth Deal investment in the Energy Skills Centre at East Coast College for up to 1,300 learners. You also ensured the LEP was quick to respond to the Covid-19 crisis, setting up a dedicated jobs page for roles which need filling in the region and a Personal Protective Equipment (PPE) supplier database to source PPE for front line services.

Thank you for your service to our nation.

Yours sincerely,

**PAUL SCULLY MP**  
Minister for Small Business, Consumers & Labour Markets  
Minister for London

## Communications activity during December 2020

This dashboard sets out the outcomes and impact of our communications activities during **December 2020**.

### Media coverage

- 4 press releases
- 26 pieces of coverage
- 5 reactive media enquiries

### Top 3 stories

#### **Eastern Daily Press**

Support for firms amid 'extremely challenging' 2021 in East Anglia

<https://www.edp24.co.uk/news/business/new-anglia-lep-on-2021-challenges-6873034>

#### **Lynn News**

<https://www.lynnnews.co.uk/news/businesses-across-east-anglia-are-urged-to-take-action-now-to-prepare-for-end-of-eu-transition-period-9144550/>

#### **East Anglian Daily Times**

LEP provides laptops as part of digital inclusion project

<https://www.eadt.co.uk/news/business/new-anglia-lep-provide-apprentice-laptop-6863904>

### Website

- 15,603 page views
- New features – new-look Apprenticeship Levy page, ERDF projects page, Creative Unlimited page, further projects added to the ESF page, updated Coronavirus business support page, updated EU Exit pages
- Links to top stories

<https://newanglia.co.uk/apprentice-plumber-to-tap-into-college-work-through-digital-inclusion-scheme/>

<https://newanglia.co.uk/2m-investment-for-norfolk-rapid-covid-test-firm/>

<https://newanglia.co.uk/new-anglia-lep-welcomes-energy-white-paper/>

<https://newanglia.co.uk/new-anglia-lep-urges-business-owners-to-get-ready-now-for-eu-transition/>

## **Covid-19 response**

- 4 versions of business support script issued to partners
- Tier 4 business information sent to partners and emailed to full business database (10,500 businesses) on 23 December
- Business support website page updated weekly
- Employment opportunities website page updated weekly
- Meeting with Public Health teams, BIDS and business groups about online trading, training and support for retailers

## **EU Exit comms**

- 4 versions of business support script issued to partners
- Website page updated weekly, including sector toolkits and webinar details
- Call to action press release issued, encouraging businesses to take the time to find out what they need to do
- Two email newsletters sent with links to sector toolkits. 32% open rate, most popular clicks were master checklist and construction sector toolkit

## **Social media and e-newsletters**

	Dec 2020	Nov 2020
<b>New Anglia LEP</b>		
Number of Twitter followers	8,857	8,821
Average Twitter engagements per day (likes, retweets etc.)	53.32	101.8
Number of impressions (times a tweet showed in someone's timeline)	135K	193K
Number of LinkedIn followers	3,635	3,519
Number of impressions on LinkedIn	32K	43.1K
E-newsletter: open rate	32.78%	33.24%
E-newsletter: click-through rate	18.69%	35.01%
<b>Norfolk &amp; Suffolk Unlimited</b>		
Number of Twitter followers	643	633
Average Twitter engagements per day (likes, retweets etc.)	7.6	7.1
Number of impressions (number of times users saw our tweet)	12.8K	9,811

Number of LinkedIn followers	1,074	1,039
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### **Other projects**

- Supporting final stages of development of new energy sector branding
- Speaking notes for ICAEW East of England summit
- Funding fit event, 12 subscribers and 8 attendees
- Meeting with business support organisations (BIDs, Chambers of Commerce and FSB) to amplify business support messages



## **New Anglia Local Enterprise Partnership Board**

Wednesday 27<sup>th</sup> January 2021

### **Agenda Item 10**

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#### **Connected Innovation**

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Author: Julian Munson

Presenter: Julian Munson

#### **Summary**

This paper provides an update on the LEP's 'Connected Innovation' initiative which is being driven by the LEP's Innovation Board. It includes a new programme to connect and promote Norfolk and Suffolk's Innovation Hubs and the development of an Innovation Prospectus. The prospectus is still undergoing amendments and will be circulated to the Board on completion.

#### **Background**

A strong innovation ecosystem is an important feature of a healthy and resilient regional economy. Across the country, businesses are adapting to the change brought about by the pandemic and transitioning to the 'new normal'.

Norfolk and Suffolk together has some of the world's leading centres of innovation excellence including Norwich Research Park and Adastral Park, sector focussed hubs of innovation such as Orbis Energy (all energy) and Hethel Engineering Centre (advanced manufacturing and engineering) and University based assets such as the NUA Ideas Factory.

Separately these centres make a significant contribution to their areas of specialism, but when seen collectively they make a compelling offer which can enable Norfolk and Suffolk to compete nationally for investment and collaboration. Historically Norfolk and Suffolk has underperformed in attracting innovation investment and in encouraging businesses to innovate.

Bringing these assets together will improve our ability to tackle the world's challenges using disruptive technology and better translating research into commercial opportunities.

A key focus of the work of the LEP's Innovation Board is to encourage and promote innovation across sectors and locations and a key driver is to connect and develop the network of innovation hubs and centres across Norfolk and Suffolk.

This activity supports the Norfolk and Suffolk Local Industrial Strategy intervention to:

*'Introduce a new joined-up offer and programme of activity that will stimulate collaboration and innovation which includes connecting up innovation centres and assets opening up access which encourages cross sector collaboration'.*

It also helps to deliver the Innovation Board's strategic objective to:

*Support the innovation ecosystem in Norfolk and Suffolk, developing and promoting innovation clusters.*

To this end a new programme referred to as 'Connected Innovation' will shortly go live following successful funding awards from the Norfolk Strategic Fund and the Suffolk Inclusive Growth fund.

## **Connected Innovation**

The Connected Innovation initiative has been split into two interlinked outputs:

1. Innovation Prospectus
2. Connected Innovation Hubs Project

### **1. Innovation Prospectus**

An 'innovation prospectus' has been developed to provide a high-level overview of the main centres for research and innovation in Norfolk and Suffolk and their individual areas of specialism.

The prospectus, developed in a digital format, is in two parts – a high level executive summary version and a more detailed and interactive web-based version as part of the Norfolk and Suffolk Unlimited web site.

The prospectus serves a number of different audiences including potential inward investors, Government, local businesses and business intermediaries.

It aims to present a more joined up, compelling case, profiling our unique innovation assets, strengths, clusters and opportunities for growth.

An external professional copywriter was contracted by the LEP with interviews conducted with the Innovation Board members representing each of the main innovation centres and the universities.

Copy was also compiled to highlight the important work of the newer innovation centres such as Stowmarket Innovation Labs and EpiCentre in Haverhill. There is also a section highlighting innovation in the public sector with a focus on the LoRaWAN initiative, led by Norfolk and Suffolk County Councils and funded by the LEP.

The full copy has been written in an interview/thought leader style and was signed off by the Innovation Board at the December meeting. The executive summary prospectus will be published and launched in February. The document is being brought to the LEP board for information.

A web-based version is under development and will enable the LEP to provide regular updates, interviews and case studies which can be added over time to ensure fresh and engaging content. This will also build on content already developed by the Cambridge Norwich Tech Corridor team.

### **2. Connected Innovation Hubs Project**

The Connected Innovation Hubs project will bring together and promote the network of innovation centres and hubs in a more coordinated and collaborative way. Through additional resource within the LEP, there will be regular contact with the operational managers of each of the key innovation centres and a range of activities to engage with businesses, entrepreneurs and innovators to strengthen the innovation ecosystem beyond just the physical centres and help showcase our science, technology and research offer.

This project has been developed by two LEP sub boards – the Innovation Board and Digital Tech Industry Council and has been endorsed by their members. New Anglia LEP has secured £158,500 from Norfolk Strategic Fund and £75,000 from the Suffolk Inclusive

Growth Fund to enable the Connected Innovation Hubs Project to proceed with a formal launch expected in Spring 2021.

### **Key Outcomes / Deliverables**

- **New Innovation Hubs Coordinator role** created (2-year post) to drive forward the activity
- **Virtual Portal and Campaign** – an extension of the Norfolk and Suffolk Unlimited website to profile the region’s innovation hubs and clusters of businesses with a single point of entry for the region’s innovation offer to investors, national stakeholders e.g. Innovate UK, KTN, Catapults etc as well as raising awareness amongst local businesses.
- **Cluster mapping and development** - development of a database/CRM module (linked to LEP CRM) which details the top 100 innovative leaders/businesses with representatives from across key sectors.
- **Platform for sharing Knowledge Transfer Activities** – the hubs coordinator will set up and run a peer network of operational leads at all the innovation hubs to share best practice and develop coordinated activities.
- **Collaborative Technology Pilot** – funding has been secured through Norfolk Strategic Fund for state-of-the-art collaborative technology to be installed at Hethel Engineering Centre. This will complement the investment being sought by Suffolk County Council for similar technology in ‘Suffolk’s Innovation Spaces’. This capital investment will allow tenants (both virtual and physical) and the wider innovation, business and academic community to engage with one another and foster tech driven collaboration.
- **Virtual events, hacks and workshops** – the delivery partner, Tech East working with the hub coordinator will deliver an engaging programme of events designed to foster collaborative innovation activity across a wide range of businesses – SMEs and corporates. SparkHacks and SparkShops events will be planned - looking at cross sector innovation and grand challenges to generate new ideas for collaboration and partnerships to drive research and investment activity.

### **Recommendation**

The LEP Board is asked to note the contents of the paper and provide any comments or feedback on the draft Innovation Prospectus.



**New Anglia Local Enterprise Partnership Board**  
**Wednesday 27<sup>th</sup> January 2021**

**Agenda Item 12**

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**January Programme Performance Reports**

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Author: Programme leads;                      Presenter: Rosanne Wijnberg

**Summary**

The following reports are attached for review by the LEP Board this month:

- Growth Programme; Jason Middleton
- Enterprise Advisor Network; Glen Todd
- Enterprise Zones (confidential); Julian Munson

**Recommendation**

The board is asked to:

- Note the report

## Business Growth Programme Performance Report - November 2020

### Programme Overview - What is the Business Growth Programme?

The New Anglia Business Growth Programme is the LEP's flagship business support programme and since September 2020 comprises of five elements:

- New Anglia Growth Hub (GH), offering free and impartial advice to individuals and businesses as well as signposting them to a range of additional support.
- New Anglia Small Grant Scheme (SGS), providing grants between £1,000 and £25,000 to SMEs to enable growth, increased productivity and job creation.
- A newly introduced Visitor Economy Grant Scheme (VEG), providing grants between £1,000 and £3,000 to SMEs in the visitor economy impacted by Covid-19.
- A newly introduced Wider Economy Grant Scheme (WEG), providing grants between £1,000 and £3,000 to SMEs in the wider economy impacted by Covid-19.
- Start-up and Early Stage Support Programme, providing specialist support to help people set up a successful new business – delivered by partners NWES and Menta.

The Programme was developed following a review of business support in 2013, and is overseen by the Growth Programme Partnership Board and LEP Board.

Programme years run from September to August, however, the data is presented as the financial year, April to March.

All elements of the Programme were built into the Norfolk and Suffolk Economic Plan, with funding for the current programme coming from BEIS and ERDF funding.

### What is the overall Programme Status?

<b>Finance</b>	Green	On track to meet the spend profile for the period to the end of November 2021.
<b>Outputs</b>	Green	On track to meet its outputs for the period to the end of November 2021 (slightly behind the job target and 12 hours of support).
<b>Delivery</b>	Green	The Programme is performing well in terms of delivery with new activity for the next three years being finalised.

### What are our key updates?

In November, four SGS applications totalling £59k of grant value and £209k of private match value were approved.

To date, over £4.1m of funding has been awarded, some grants have been withdrawn, leaving £122k of unallocated funds to be approved and claimed by November 2021

VEG and WEG update: to end of November, 97 grants totalling £257k awarded, which is 49% of £529k allocation, meaning we are on track to spend by the of February 2021.

The current 2020/21 spend target of the programme is £5.092m with a Q2 2020/21 (Jun-Aug) target of £1.181m. Currently working on the Q3 2020/21 (Sep-Nov) claim.

The June to August 2020 claim has been submitted MHCLG, with a value of £0.903m; slightly below the target of £1.181m, due the impact Covid-19 has had on SGS claims.

Our request to extend GH and SGS activity until the end of Nov 2021 has been approved, increasing the Programme value to £28.059m

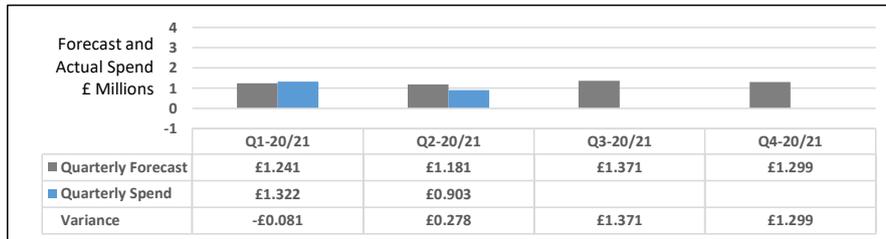
We have now started working on the next Annual Evaluation, covering the period September 2019 to August 2020.

### What is our financial position?

#### Financials (£ million)

Year	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/22	Total
<b>Profile Spend</b>	£0.306	£1.301	£3.409	£7.672	£5.778	£5.092	£4.501	£28.059
<b>Actual Spend</b>	£0.306	£1.301	£3.409	£7.672	£6.055	£2.225		£20.968
<b>Remaining Spend</b>	£0.000	£0.000	£0.000	£0.000	£-0.277	£2.867	£4.501	£7.091

### 2020/2021 Expenditure Profile (£5.092 million)



### What is our contribution to the Economic Strategy?

Outputs - Cumulative from September 2015 to November 2021	Target	Delivered to end of Nov 2020	Monthly Change	Notes
Number of approved grants	360	410	4	Target exceeded
Businesses receiving 'in-depth' support - more than 12 hours	1,138	850	6	Working with partners to ensure the target is met
Businesses start-ups supported	1,474	1,289	38	On track to meet target
Value of grants received by businesses	£3.507m	£2,989m	£17k	On track to meet target
Private investment provided by businesses	£14.029m	£12,468m	£73k	On track to meet target
Employment increase in supported businesses	1,676	1,311	31	Working with partners to ensure the target is met
Businesses introducing new products	69	58	0	On track to meet target
Businesses receiving Information/Diagnostic/Brokerage	4,260	3,051	13	Working with partners to ensure the target is met

### What is the project status?

Overall:	Green →	
Growth Hub	Green →	We are making good progress towards our targets, however, we are slightly behind our C4 and P13 targets.
Small Grant Scheme	Green →	Claiming grants is still just ahead of our revised profile by one month.
Start-Up (Nwes)	Green →	Performing well, slightly behind the job target.
Start-Up (Menta)	Green →	Performing well, slightly behind the job target.

### What are the next steps?

Ongoing proactive marketing, supported by a wide range of partners, to ensure that as many businesses as possible take up support.

Continue to work across the LEP and with partners, including local authorities and membership organisations, to provide support to businesses affected by Covid-19

We continue to monitoring the SGS, VEG and WEG statistics on a weekly basis (as we are with all LEP grant schemes) and adjust delivery to maintain successful delivery.

We are keeping a watching brief with delivery partners on the need to undertake a Project Change Request to reflect the current Covid-19 impact on delivery.

Started the process of working on the next annual programme evaluation (Sep'19 - Aug'20) with the consultants and the partners.

## Enterprise Adviser Network and Careers Hub

### Programme Overview - What is the Enterprise Adviser Network and Careers Hub.

The Enterprise Adviser Network was created and commissioned by the Careers and Enterprise Company which in turn was commissioned by the Department for Education

The Enterprise Adviser Network consists of ten Enterprise Coordinators and one Enterprise Adviser Manager.

The New Anglia Enterprise Adviser Network is accountable to the LEP Board with direct input from the Skills Board

With current funding from the Careers and Enterprise Company along with match funding from the LEP the EAN Network and Careers Hub will currently run until August 2021

- Enterprise Advisers are Senior Business Volunteers recruited to support schools with assisting pupils to experience the work place and have meaningful encounters with employers
- The Careers Hub comprises 130 schools across East Anglia with the aim of all schools achieving on average six Gatsby Benchmarks by Aug 2021. Please see appendix 1 for description of the Benchmarks.

### What is the overall Programme Status?

<b>Finance</b>	<b>Green</b>	Meeting the contract approved Careers and Enterprise Grant Claim which is 50% of the running costs and resources for the EAN.
<b>Outputs</b>	<b>Green</b>	On track for Aug 2021 target delivery.
<b>Delivery</b>	<b>Green</b>	The Programme is performing well in terms of delivery with EA's being brought in to the Network and Benchmark performance increasing.

### What are our key updates?

- 130 Mainstream and FE Institutes to be matched to an EA by the end of August 2021
- 75% of matched schools to be fully achieving BM5 by the end of August 2021
- 65% of matched schools to be fully achieving BM6 by the end of August 2021

### What is our financial position?

#### Financials (£)

Year	2019 - 2020				2020 - 2021			
	Qtr. 1 (Apr to Jun)	Qtr. 2 (Jul - Aug)	Qtr. 3 (Sep to Dec)	Qtr. 4 (Jan to Mar)	Qtr. 1 (Apr to Jun)	Qtr. 2 (Jul - Aug)	Qtr. 3 (Sep to Dec)	Qtr. 4 (Jan to Mar)
<b>LEP Costs</b>	£83,051.56	£61,195.51	£125,885.78	£100,872.46	£108,968.10	£68,759.58		
<b>CEC Grant</b>	£49,350.30	£42,982.39	£89,657.34	£70,161.31	£69,361.78	£43,545.14		

Funding claims to the CEC are made four times a year (quarterly).

CEC pay 50% of the EAN and contribute 100% of the Careers Hub Manager and 2x Opportunity Area EC salaries.

### Outputs

Outputs - To Aug 2021.	Target - August 2021	End of Dec 2020	Diff	Notes
Mainstream and FE Schools Signed up to the Network	130	130	0	
Mainstream and FE Schools matched to an EA	130	107	-23	
Matched schools fully achieving BM5 by the end of August	75%	65.63%	-9.37%	
Matched schools fully achieving BM6 by the end of August	65%	56.26%	-8.74%	
Hub Schools fully achieving BM5 by end of August 2021	80%	72.73%	-7.27%	
Hub Schools fully achieving BM6 by end of August 2021	70%	45.45%	-24.55%	

### What is the project status?

Delivery has moved to virtual support for Educational Establishments with the CEC recognising New Anglia EAN during national masterclass sessions for its innovative approach to supporting careers leads and students virtually with our Careers and Coffee broadcasts, above national average uptake of the Careers Leader Tool Compass + and Governor CPD sessions.

Overall:	<b>Green →</b>	
EAN Network	<b>Green →</b>	The EAN Network is on track to meet its revised CEC targets.
Careers Hub	<b>Green →</b>	The Careers Hub is on track to meet its targets.

### What are the next steps?

- Providing virtual and online support to teachers and careers leads during lock down.
- Continue to recruit EA's to match to schools virtually during lock down.

## Appendix 1 The Gatsby Benchmarks for Careers Guidance

1. A stable careers programme
2. Learning from career and labour market information
3. Addressing the needs of each pupil
4. Linking curriculum learning to careers
5. Encounters with employers and employees
6. Experiences of workplaces
7. Encounters with further and higher education
8. Personal guidance

### Careers Hub Schools

Hellesdon High School
Long Stratton High School
The Hewett Academy, Norwich
The Open Academy
Thorpe St Andrew School and Sixth Form
Taverham High School
Notre Dame High School, Norwich
Ormiston Victory Academy
Hall School
Parkside Academy
Westbridge Academy
Felixstowe Academy
Stradbroke High School
Stoke High School - Ormiston Academy
Chantry Academy
Ipswich Academy
Ormiston Endeavour Academy
Claydon High School
Kesgrave High School
Debenham High School
Easton & Otley College
Norwich City College of Further and Higher Education
One Sixth Form College
Short Stay School for Norfolk
Suffolk New College
Sir Isaac Newton Sixth Form Free School
University Technical College Norfolk
The Wherry School
Framingham Earl High School
Archbishop Sancroft High School (A Church of England Academy)
Stowmarket High School
Jane Austen College

**New Anglia Local Enterprise Partnership Board**  
**Wednesday 27th January 2021**

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**Agenda Item 13**

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**Quarterly Management Accounts – April to December 2020**

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Author: Rosanne Wijnberg

Presenter: Rosanne Wijnberg

**Summary**

This report provides board members with an update on the LEP's finances for the period ending 31 December 2020. The report includes **confidential** appendices:

Appendix A - management accounts period ended 31 December 2020

Appendix B - grant analysis period ending 31 December 2020 (graphs)

**Recommendation**

- The board is asked to review and note the management accounts and accompanying graphs.
- The board is asked to approve the following proposed budget transfer, subject to government agreement - £1m from R&R to Growing Business Fund.

**Management accounts – 31 December 2020**

Management accounts are reported quarterly and reflect the consolidated position, showing both Core and Programmes. The LEP's consolidated management accounts for the period up to end December 2020 are attached in Appendix A.

As a reminder, **Core** covers the work of the LEP including: Developing and delivering the economic strategy; Engagement with central Government and national agencies; Engagement with our local authority partners, education partners, with business and the voluntary sector; Governance and management of the LEP; Management of our sector groups; Innovation and Inward investment; Support for partnership initiatives such as Cambridge Norwich Tech Corridor, Ipswich Vision and the Opportunity Areas.

**Programmes** covers programmes and projects delivered or managed by the LEP including: Growth Deal, Growth Programme, Enterprise Zones, Growing Business Fund, Growing Places Fund, R&R Fund, Enterprise Adviser Network and Apprenticeship Levy Fund.

**Income Explanatory Notes**

**New Anglia core**

This is core funding the LEP receives from government, plus the match funding received from our local authority partners. No variance to budget.

**New Anglia grant/programme income**

Most of this income is the LEP's Growth Deal - £47m this year. The grant element is allocated when it is received, the top slice is accrued monthly, as costs are incurred. We have now received our full Growth Deal allocation. In addition, we have received our first tranche of Getting Building

Fund income. This was not included in the budget, and explains the large variance to budget. This category also includes income from the LEP's Enterprise Zone Pot C.

### **New Anglia Recharges**

This is mostly the recovery of costs from the Business Growth Programme (ERDF programme) and GTI initiative. It also includes income (recovered costs) from other LEP initiatives such as the Norwich Opportunity Area and Cambridge Norwich Tech Corridor. These recharges are lower than anticipated but are matched by reduced costs.

### **EAN Income (Enterprise Adviser Network)**

This income is from claims submitted to the Careers & Enterprise Company, plus contribution from the LEP's Enterprise Zone Pot C fund. This match funding contribution was previously agreed by the board.

### **Interest received**

The LEP receives interest from money it loans out through its Growing Places Fund. It also receives interest from Suffolk County Council (Accountable Body) for funds which they hold on our behalf. Interest is accrued monthly.

### **Expenditure Explanatory Notes**

The material expenditure items are described in more detail below.

### **Wages & Salaries**

This covers all staff, including those team members charged to specific programmes. It also includes staff costs for LEP initiatives, these are then reclaimed from the external funding partners. We have a favourable variance against budget, largely because of a vacancies that have been held (financial controller), delays in recruitment or a re-allocation of resource. In certain cases this is matched by a reduction in income, or by a corresponding increase in other budget lines.

### **Consultancy**

The budget was flat profiled over the twelve months. We delayed the start of our programme evaluation work due to current circumstances, so underspend as a result of timing. This work will now roll into next financial year.

### **Conferences & Room Hire / Travel, Hospitality**

Actual expenditure below budget because of lockdown. Many costs in this category are recovered from partners, so we see reduced income (New Anglia Recharges).

### **Projects**

The annual budget for projects includes – IPF, Place Branding, Industry Councils. Project costs are accounted for when incurred, however due to the difficulty in anticipating these costs the budget was flat profiled over the twelve months i.e., split evenly. The variance against budget largely reflects the delay in spend and claims made against the Innovative Projects Fund.

### **Marketing and Events**

Favourable variance to budget because of reduced spend in current circumstances as events have been cancelled. Many costs in this category are recovered from partners e.g., Norwich Opportunity Area, and so we see reduced income (New Anglia Recharges).

### **Legal & Professional**

Most of these costs are incurred through the Growth Deal and Enterprise Zone programmes, also our audit fees. Our spend on legal fees to date has been lower than budget.

### **Irrecoverable VAT**

The budget includes irrecoverable vat due to the LEP not being able to claim back VAT. VAT is budgeted against relevant costs, which are flat profiled throughout the year. The favourable

variance on irrecoverable vat can largely be attributed to the general lack of spend due to lockdown, therefore not incurring vat.

## **Grant payment analysis – Appendix – B**

### Growth Deal

This chart represents grant payments made to Growth Deal projects. The budget reflects the Growth Deal annual allocation plus the rollover from 2019/20. The figures do not include Growing Places or Growing Business Fund, these are shown separately. It does not include any loans or investments made through the Enterprise Zone Accelerator Fund (EZAF).

### Growing Business Fund

This chart represents grant payments made through the LEP's Growing Business Fund.

### Growing Places Fund

The Growing Places Fund (GPF) is different to the other LEP 'grant based' programmes. The GPF programme is a hybrid comprising both loans and grant payments. This current graph only charts progress of grant payments made through the year which are treated as an expense rather than an investment.

### Small Grants Scheme (ERDF)

The amount shown is actual grants paid and does not include private match.

### Business Resilience and Recovery Fund

This is the LEP's newest fund, with £3.5m allocated to support businesses.

### Getting Building Fund

No payments have been made to date; chart will be added when payments commence.

## **Budget transfer / virement**

Demand for the Growing Business Fund, supported through the Growth Deal, has increased considerably since the autumn of 2020. With the original 2020/21 budget of £2.79m for the programme committed to existing projects, around £1m of additional eligible projects remain in the project pipeline.

The Resilience and Recovery scheme (R&R) has a budget to March 2022 of £3.623m, funded from the Getting Building Fund allocation agreed with government in July 2020.

To enable the Growing Business Fund project pipeline to be supported, a virement of £1m from the R&R scheme to the Growing Business Fund is requested. Virement between programmes is an established practice to sustain individual programmes and to ensure that funding is fully allocated and spent within scheduled timelines.

The R&R can potentially be replenished during 2021/22 from any underspend in the Getting Building Fund project portfolio.

## **Recommendation**

- The board is asked to review and note the management accounts and accompanying graphs.
- The board is asked to approve the following proposed budget transfer, subject to government agreement - £1m from R&R to Growing Business Fund.

## New Anglia LEP Board Forward Plan – 2021

Date	Venue	Strategic	Operational
27 <sup>th</sup> January	Virtual	<ul style="list-style-type: none"> <li>2021 LEP Strategic Priorities</li> <li>Agri-Food Industry Council Report</li> <li>Trade and Cooperation Agreement Between the EU and the UK</li> </ul>	<ul style="list-style-type: none"> <li>Connected Innovation</li> <li>NAC Report</li> <li>Growth Programme, EAN, Enterprise Zones PPRs</li> <li>Quarterly Management Accounts</li> </ul>
24 <sup>th</sup> February		<ul style="list-style-type: none"> <li>ICT Digital Industry Council Report</li> <li>Energy Sector Recovery Plan</li> </ul>	<ul style="list-style-type: none"> <li>Economic and Programme Dashboards</li> <li>Growth Deal PPR</li> <li>Capital Growth Projects</li> </ul>
31 <sup>st</sup> March	Virtual	<ul style="list-style-type: none"> <li>Local Transport Board Report</li> <li>Enterprise Zones 5 Year Strategic Plan (TBC)</li> </ul>	<ul style="list-style-type: none"> <li>LEP updated Local Assurance Framework 21/22</li> <li>LEP Operating Budget 20/21</li> <li>Enterprise Zones, EAN and Agri-Tech PPRs</li> </ul>
<b>April</b> <b>No Board Meeting</b>			
26 <sup>th</sup> May	Virtual	<ul style="list-style-type: none"> <li>Innovation Board Report</li> </ul>	<ul style="list-style-type: none"> <li>Capital Budget 21/22</li> <li>Quarterly Management Accounts</li> <li>Growth Programme and Growth Deal PPRs</li> </ul>
23 <sup>rd</sup> June	Virtual	<ul style="list-style-type: none"> <li>Skills Advisory Panel Report</li> </ul>	<ul style="list-style-type: none"> <li>Enterprise Zones, Eastern Agri-Tech &amp; EAN PPRs</li> <li>Operating &amp; HR Policies</li> </ul>
21 <sup>st</sup> July	Virtual	<ul style="list-style-type: none"> <li>All Energy Industry Council Report</li> </ul>	<ul style="list-style-type: none"> <li>Growth Programme PPR</li> <li>NAC Report</li> <li>Accounts Approval</li> <li>Q2 Management Accounts</li> </ul>
<b>August</b> <b>No Board Meeting</b>			
22 <sup>nd</sup> September	Virtual	<ul style="list-style-type: none"> <li>Agri-Food Industry Council Report</li> </ul>	<ul style="list-style-type: none"> <li>Growth Deal, EAN &amp; Enterprise Zones PPRs</li> <li>Economic and Programme Dashboards</li> </ul>
<b>22<sup>nd</sup> September</b> <b>New Anglia LEP AGM</b>			
20 <sup>th</sup> October	Virtual	<ul style="list-style-type: none"> <li>ICT Digital Industry Council Report</li> </ul>	<ul style="list-style-type: none"> <li>Growth Programme &amp; Agri-Tech PPRs</li> <li>Quarterly Management Accounts</li> </ul>
24 <sup>th</sup> November	Virtual	<ul style="list-style-type: none"> <li>Local Transport Board Report</li> </ul>	<ul style="list-style-type: none"> <li>Economic and Programme Dashboards</li> <li>Growth Deal PPR</li> </ul>
<b>December</b> <b>No Board Meeting</b>			

### Standing Items (where relevant)

- Brexit
- Local Industrial Strategy
- IAC recommendations
- Continuing Business/ Chief Executive's Report including updates on
  - Programmes
  - Strategy
  - Engagement and promotion
  - Governance, Operations and Finance
- Board Forward Plan

### Items to be Scheduled

- Opportunity Areas progress report
- Freeports
- EZ forward plan
- Tourism Zones / Visitor Economy – To be scheduled once timing known
- Towns Deals
- Norfolk and Suffolk Investment Plan
- Clean Growth Taskforce
- Economic Recovery Plan – Restart & Renew progress update