

Hull & East Yorkshire LEP

Paper C - Chief Operating Officer and LEP Team Board Report
19th July 2022

1. Summary

The LEP Team is continuing to deliver on a wide range of various responsibilities; highlights from the last two months includes feedback from The Business Day, the LEP's role to date in the UK Shared Prosperity Fund and a Goole Town Deal update.

Please note due to the limited time at today's meeting the sub-board updates have been included as a high-level summary in this paper.

2. Recommendations

The Board to note the report.

3. Report

The Business Day/Humber Business Week

The LEP hosted two events during the Humber Business Week, the Digital Horizons event, held at the University of Hull's Canham Turner building saw 24 delegates attending to hear how digital technologies can transform business and improve productivity. The second event, which was supported by the Humber Industrial Cluster Plan Team, was the Industrial Carbonisation Day, held at Scunthorpe Baths, attended by over 1000 school children, and supported by CATCH and industry Partners.

Unfortunately, the planned launch of the HEY Workforce new web resource was postponed due to low numbers registering for the event planned during Business Week. Instead, it was launched at the CIPD's Annual "Transforming the Humber" event held on Tuesday 5th July to almost 100 HR professionals. The site can be accessed at <https://heyworkforce.co.uk/about>

The Business Day was a huge success, led by the Deputy Chair, Stephen Parnaby OBE, with Karen Philipson, acting in support, seeing over 650 delegates listening to a range of stimulating speakers including Dr John Jones, OBE, who spoke passionately about the power of joint partnership action to transform society. The LEP stand, produced by recyclable cardboard included interactive elements to engage delegates to consider their role in decarbonisation and also offered the opportunity to receive a Digital Assessment Analysis.

The event included the provision of a LEP-led workshop on Industry 4.0, introduced by James Newman, OBE, which saw Dr. Brian Houston from the University of Hull leading a session on how business can embrace new technologies to develop and deliver new services alongside Jason Speedy from Groupe Atlantic who discussed the organisation's progress to date. The LEP input focussed on the Made Smarter and Local Digital Skills Partnership.

4. The Humber Industrial Cluster Plan Update

Further to the last report to this board, the HICP continues to deliver on the delivery of the commissioned work packages with progress being made in every area of delivery. Conversations are ongoing regarding the legacy aspect of the Plan upon completion with issues including the updating of key data and the licensing of the model are being considered.

5. The UK Shared Prosperity Fund (UKSPF)

The LEP has continued to work in partnership and support of the two local authorities who are the lead parties for developing the two required LA delivery plans. As the previous commissioner of programmes, the LEP's role has considerably changed.

East Riding of Yorkshire Council, as the previous Technical Assistant Partnership, has had full access to the range of European funded Programmes that the LEP previously led on; those that were delivered by the LEP and those that were delivered by other partners. ERYCC is therefore content that it can develop the delivery plan with input from partners through a series of workshops.

In Hull City Council's approach, the LEP was asked to complete a number of Expressions of Interest, for those programmes the LEP considered a priority including those delivered by the LEP and those delivered by other partner organisations.

In addition, the LEP worked closely with HCC colleagues on developing the bidding documents for the national Multiply Programme, a programme of Maths for adults without a formal level two equivalent qualification (GCSE A* - C or 4-9).

6. Goole Town Deal

The LEP continues to support the development of the Goole Town Deal and attended a meeting on Friday 1st July where the Board discussed and agreed an updated operational plan, considering spend requirements in this financial year through to the cessation of funding in financial year 25/26.

Projects include the refurbishment of the Market Hall, investment in the Public Realm, the development of a Skills Shop and Fund and improvements to the Leisure Centre. As outputs of the plan are reliant on agreed business cases being approved by ERYC the Board agreed that publicity on some of the investments would follow democratic approval.

7. The Growth Hub

The LEP completed and returned the necessary funding documents (schedules) to BEIS by the given 13th June 2022 deadline. These are now under review by BEIS and the formal funding offer letter is awaited imminently. As previously reported to the Board, the reduction in core Growth Hub funding has presented a challenging situation, however after dialogue with both delivery partners, job losses have been avoided and a core service of free and impartial information, advice, guidance and signposting for all businesses and pre-start individual in the HEY region has been maintained.

Notification was received on 29th June 2022 from the Sheffield City Region (SCR) LEP that the first year of Made Smarter funding (2022/23) has finally been secured via grant offer letter from BEIS. Whilst a three year funding settlement is still in place, BEIS are now to release this funding on an annual basis only. The programme co-design activity of the Yorkshire cluster of Growth Hubs has now recommenced, with SCR LEP looking to issue a tender for the provision of Made Smarter support services during July. The HEY LEP will shortly advertise for the position of “Digital Transformation Specialist”; a job post funded by Made Smarter that will manage a caseload of manufacturing SMEs in the HEY region; supporting their access to the various strands of Made Smarter support.

The Growth Hub annual performance report for 2021/22 was returned to BEIS on 31st May. This contained comprehensive detail on Growth Hub activities in 2021/22, including client engagement outcomes and client satisfaction data. A summary of key outcomes is presented as follows.

Outcome Indicator	Annual Target	Actual	Variance
KPI.1 - Number of businesses receiving light touch interaction	1,100	1,424	+324
KPI.2 - Number of businesses receiving medium intensity intervention	420	478	+58
KPI.3 - Number of businesses receiving intensive support	100	110	+10
KPI.4 - Number of 'Scale up' businesses engaged	60	130	+70

KPI.5 - Number of individuals (pre-starts) receiving light-touch support	200	1,522	+1,322
KPI.6 - Number of new businesses created	50	40	-10

As part of the annual reporting process, a digital survey was sent to all clients who has benefitted from medium or high intensity support in 2021/22. Key headlines from this survey activity can be seen as follows.

- **97%** of clients were very satisfied of satisfied with the support provided by the Growth Hub in 2021/22.
- **88%** of clients are very likely or likely to use the Growth Hub in 2022/23.
- **97%** of client are very likely or likely to recommend the Growth Hub to a friend or colleague.
- **88%** of clients felt that that they were much more likely or more likely to meet their growth aspirations of their business as a result of engaging with the Growth Hub.
- **72%** of clients who had been referred by the Growth Hub to another provider of support of funding reported a positive impact on their business
- **70%** of clients reported that it would have taken them significantly longer or slightly longer to find the support they were looking for without the help of the Growth Hub.

Following completion of the Growth Hub review and presentation of findings to the BSB and LEP Board, a development and delivery plan for the Growth Hub, based upon the findings of the review, will be created. Given that the formal funding offer letter for 2022/23 is still awaited from BEIS, it is currently not considered appropriate to commence the development and delivery planning process, until such a time BEIS confirm satisfaction with Growth Hub delivery plans for 2022/23. However, a proposed approach for the creation of the development and delivery plan was presented to the Business Support Board at the meeting of 7th July.

8. Creative Industries Opportunity

The LEP has completed an initial Expression of Interest to bid for a highly competitive fund which is open to all LEPs and LAs. The bid is on behalf of the LEP and two local authorities and would bring an additional £370k to the region to develop bespoke business support for the Creative Industries (CI's). These include, for example:

- Architecture
- Crafts
- Theatre
- Film and Videography

The bidding process is in two rounds, a EOI which if successful would then go through to a full business case. Funding is available to develop the FBC of £10k as this is detailed and specific. If the LEP is not successful there may be opportunities to join a successful bidder as a consortium partner. Results of the first stage are expected by 21st July 2022 with successful applicants asked to submit full applications by the 18th August 2022

9. Employment and Skills

The first meeting of the reinstated **Skills Network** is taking place on Wednesday 13th July at the Aura Innovation Centre. The session will cover UKSPF, Multiply, Bootcamps, Devolution, discuss the HEY Workforce website and hear from partners involved in health and wellbeing.

The **Career Aspirations Group** met on 22nd June. The group is planning a careers and employability professionals CPD event for the autumn term on the subject of professional services. The group has also agreed to organise a CPD event focussing on foundation learning employment opportunities. The group is also investigating the possibility of accessing support to further develop Employability Skills passports which had previously been so successful under the Humber LEP.

The next meeting of the **Apprenticeship & Technical Education Group** is scheduled for 21st July. The group will be supporting the HEY LEP team on a piece of commissioned “deep dive” research into apprenticeships and will also be considering how stakeholders and partners can develop an agile response to Inward Investment enquiries supporting colleagues in local authorities who manage these.

Skills Advisory Panel Funding 2022/23 - the DfE confirmed a final award for 2022-23 of £55,000 to develop and provide the robust analysis of the local labour market and skills, to support Employer Representative Bodies (ERB) with the development of the Local Skills Improvement Plans (LSIPs) beyond 2023. The DfE have restricted the amount of funding the LEP can spend prior to the LSIP designated ERB being appointed in autumn 2022, this has implications for what strategic skills planning research the LEP can commission in 2022/23. The LEP has submitted proposals for the final memorandum of understanding, outlining the focus of activities to produce and share local-level skills and labour market analysis. This includes:

- Updating of the Local Skills report Core Indicators
- Deep dives on the Adult Education Budget and apprenticeships
- Refresh of Digital Skills Analysis and Employer survey
- Refresh of Economic Impact Analysis

The use of the remaining funding and identified skills analysis needs will be agreed with the designated ERB (anticipated autumn 2022).

Local Skills Improvement Plans – The LEP continues to support local FE institutions with their Strategic Development Fund applications and is in regular contact with the Hull & Humber Chamber of Commerce regarding the transition from Skills Advisory Panels to Local Skills Improvement Plans, for which the Chamber have submitted an expression of interest in being the Employer Representative Body.

The HEY LEP Careers Hub welcomed almost 100 delegates to its first conference on 29th June at the MKM stadium. The event included keynote speakers from the Careers & Enterprise Company, Careers Hub schools and Cornerstone Employers. Over 50% of participants were employers. Delegates fed back their positive experience of the event and asked if it was possible to hold an event next year, the Hub will work with the CEC to enable this to happen.

The Humber Local Digital Skills Partnership – Good progress continues to be made with the Local Government Association funded Digital Skills tool. The group is also making progress on it's two key areas of focus:

- Inspirational careers videos – the production of bite-sized videos promoting the local digital and tech economy, career opportunities, the types of skills needed for the industry and the routes into local skills shortage occupations.
- Local education, learning and skills provision – this working group will use information about local digital and tech occupations in demand and work backwards identifying the learning, skills and training required to access them. The group will use this intelligence to reflect

upon whether the local area has the provision available locally and whether there are any gaps.

Workforce Development – The Workforce Development Business Advisor continues to establish links with apprenticeship levy paying employers and local education and training providers with a view to transferring unspent levy within the local economy. The LEP currently has agreement from 4 local businesses to route their unspent levy to local businesses via the LEP.

The ongoing work of the Workforce Development Business Adviser yields qualitative information about local skills demand which is being used to augment the strategic skills planning. On average, each employer engagement yields six opportunities for support. 50% of employers need support with upskilling and reskilling. Apprenticeships and Traineeships are also popular themes requiring support. The significant proportion of skills related discussions identify Level 3 as the main area of demand followed by Level 2. Higher Level skills (Level 4+ make up the minority). Eighty-six per cent of skills related discussions with employers are about accredited training (only 14% about non-accredited). The engineering, manufacturing and digital sectors make up the majority of businesses being supported.

Skills Bootcamps – The DfE has approved funding of £1,642,763 for delivery in the 22/23 financial year. Hull City Council are currently procuring the delivery of the Bootcamps to start in the summer. The Bootcamps will cover priority sectors identified by the LEP including: Digital, Fibre Engineering and a wide range of skills needed for green jobs e.g. agri-tech, green energy/carbon reduction solutions, heat pump engineers and electric vehicles/charge point installation.

10. Infrastructure Board

The Infrastructure Board met on the 24th June. The Board received an update on the Humber Industrial Cluster Plan to decarbonise the Humber Economy. Useful discussions were held on the current skills needs and gaps in the infrastructure related activity in the HEY LEP area and the current funding landscape for infrastructure projects.

11. Investment Programmes

The Growing Places Fund officially launched on April 1st 2022. To date the programme has received 38 Expressions of interest (as of 05/07/2022). 90% of EOI's are from New Businesses that have not received previous funding from the HEY LEP/Humber LEP. Expressions of interest are being received from a variety of sectors including; Agriculture & Horticulture, Manufacturing, Construction, Energy, Wholesale and Retail and Human Health. There is a 40/60 split between applications received from Hull and the East Riding of

Yorkshire. 4 Grants were approved at the investment panel on the 21st June 2022. The value of grants awarded was £46,252.68.

12. LEP Team Update

The Team continues to focus on priority actions, recognising that resources are tight and the likelihood of further change as programme funding ceases in 2023 for those areas funded by European Social Fund.

Arrangements for additional support are in place for some areas of operational financial management and communications, further assistance is being sort for additional financial management support.

Recruitment to the post of Energy Hub lead has now concluded with the preferred candidate chosen. Following HR processes the outcome will be shared with the board.