

Hull & East Yorkshire LEP Board Report

Paper C - Chief Operating Officer and LEP Team Board Report 27th July 2023

1. Summary

The LEP Team has continued to deliver on a wide range of various responsibilities to support the region's Economic Growth and Workforce Wellbeing Strategy Delivery Plan. Due to the AGM immediately following this board meeting, this report provides a short summary of activity for members attention.

2. Recommendations

The Board to note the report.

3. Report

A) Strategic issues

3.1 Growth Hub Funding and Delivery Plan – The Department for Business and Trade (DBT) confirmed their satisfaction with the HEY Growth Hub's completed schedule documents for 2023/24 core funding on Monday 10th July. The formal offer letter is however still awaited, and we have been advised that this should be received imminently. We have assurance that neighbouring Growth Hubs in the Yorkshire cluster are also still awaiting their funding offer letters.

We have also been made aware that due to a migration of financial systems at DBT (due to the break-up of the former BEIS department), that any funding offer letters signed and returned after 21st July will not have their first quarter claims paid until the second half of August. Therefore, all core funded Growth Hub delivery since 1st April 2023 is being undertaken at risk. However, this is not causing any impacts on the delivery of the Growth Hub service at present.

Growth Hub National Evaluation – DBT published the [evaluation of the national Growth Hub network 2015 to 2020](#) on 6th July. The evaluation was largely very positive about the work and impact of the Growth Hub Network, and concluded that Growth Hubs increase turnover, improve business R&D, facilitate access to finance, and aid job creation.

The evaluation makes five key recommendations to government:

- 1) Improve communication and marketing of the network

- 2) Increase resourcing for the Growth Hubs, directly or indirectly.
- 3) Support further development of the offer, learning from the experience of the pandemic.
- 4) Delivery consistency of the offer across the network
- 5) Improve data collection and reduce bureaucracy.

4. Programme Delivery – To date the Growing Places Fund (GPF) a £3.25m capital investment programme has received 49 applications with a split of 50/50 across the Hull and East Yorkshire region. <https://heylep.com/our-funding-and-projects/funding/growing-places-fund-capital-investment-programme>

1. 29 grants have been approved for award to the value of £674,580. A further 13 applications either did not progress to panel or the business were unable to meet the funding criteria.
2. A further 7 applications are currently in appraisal, 5 of which are ready to be presented on at the independent Investment Panel scheduled for 26th July 2023 for an award decision. The 7 applications received have an overall grant ask value of £1,115,715.

The GPF investment team are also holding several promotion events across the region to increase businesses knowledge and understanding of the potential funding opportunities available. [Do come along to see what funding may be available to help your business grow » HEY LEP - Hull and East Yorkshire](#)

5. The LEP Network Update – various reports have been published over the last month which indicate the direction of travel from the government and other parties, these include: ‘The **House of Commons Education Committee** publication [‘The future of post-16 qualifications: Government response to the Committee’s Third Report of Session 2022-23’](#). The committee launched its inquiry into the future of post 16 qualifications in November 2021 and published its report, ‘The future of post-16 Qualifications’ on 28 April 2023. This document sets out the Government’s response to that report including a number of recommendations. The overarching ambition is for an education system that rigorously prepares students to take their next step at 16, whether that be continued study or moving into work-based training. The rationale for reforming post-16 education is to simplify a complex system, improve progression outcomes and to create a new, world-class technical offer that meets the needs of employers.

5.1 [LGC](#) have produced an updated survey on the current devolution picture across England - along with an exclusive interview with shadow levelling up

secretary, Lisa Nandy, who said that a future Labour government would not force elected mayors on areas in return for devolution, but councils would need to demonstrate that the “community has been in the driving seat”, devolution powers will be available to all areas “irrespective of whether they have an elected mayor”.

5.2 In an interview with the LGC, Michael Gove, Secretary of State for Levelling Up, Housing and Communities, said the government will not allow areas access to ‘level three’ powers without having a directly elected leader in place. Several areas are hoping to negotiate bespoke deals that incorporate parts of the ‘level three’ devolution framework, without having to switch to a mayoral model – but Gove stated that any area wanting access to level three powers must have a directly elected leader.

5.3 The **MJ** have a new **analysis by the Local Government Association** (LGA) that shows councils in England face a funding gap of almost £3bn over the next two years just to maintain services at their current level. The LGA said the cost to councils of delivering their services will exceed their core funding by £2bn this year and £900m in 2024-25.

5.4 Sir Keir Starmer, MP and Opposition Leader gave a major policy speech last week in Kent. The key theme was one of his five declared missions of a future Labour government - ‘breaking down the barriers to opportunity’. In the speech, the Leader of the Opposition committed a future Labour government to:

- A **new national curriculum** “that finally closes the gap” between learning and life, academic and practical, vocational skills, school and work. A curriculum that will finally crack the code on digital skills by introducing a curriculum “fit for the digital age”.
- A changed approach to **vocational education** and training ensuring it is respected as much as a university education.
- A “proper” **national skills plan**, led by a new body, Skills England, that will “work hand-in-glove with our industrial policy and make sure we can compete in the race for the jobs of the future”.
- A **new growth and skills levy** that “doubles-down on apprenticeships, high quality apprenticeships, and that also looks again at the full breadth of formal training available, identifies the best options and gives businesses greater flexibility to invest in them”.

6. Foreign Owned Business/KAM Project and Export Update

6.1 Key Account Management of foreign owned businesses continues to be funded by the Department for Business and Trade with local delivery undertaken by the two LAs with programme management and co-ordination undertaken by the LEP. Positive progress is being made towards targets set as part of the funding agreement.

6.2 UKSPF Export Growth Grant (EGG) Programme – To date, six grant applications have been received which will be submitted to the Investment Panel for approval. Sectors represented include Manufacturing and Digital/Tech. The grant application window will be further extended to the end of September, to allow for more applications to be submitted.

6.3 Export for Manufacturers event - A joint Export for Manufacturers event between HEY LEP, the Growth Hub's Made Smarter programme, and Hull & Humber Chamber of Commerce is scheduled for the autumn, to take place during international trade week.

7. LEP External Communications - As part of the LEP's transparency and adherence to the Local Assurance Framework there is an expectation that an Annual General Meeting is held to that illustrate progress made and provide the LEP's financial position. This will be held immediately following today's board meeting.

7.1 As per JHN's verbal report, Hull City Council have published a paper setting out the potential development of the LEP integration as we move towards transition and the formation of the Devolution Deal. More detail will be shared with the board as discussions continue.

7.2 Other coverage in the media has included:

[Funding opportunities across Hull and East Yorkshire | FSB, The Federation of Small Businesses](#)

[HEY LEP hits hat-trick of Manufacturers Network meetings | BW Magazine \(bw-magazine.co.uk\)](#)

B) LEP Operational Matters

8. Staff team update - Further team changes have occurred since the last LEP board meeting:

- The Energy Hub Coordinator role interview panel has selected a preferred candidate and

recruitment is ongoing. This role will provide additional capacity for the two Local Authorities in terms of local energy projects and is fully funded by Tees Valley MCA.

- The job descriptions for the ICS Integrated Careers Pilot are currently being evaluated and approved for recruitment. We are looking to appoint a Project Manager, Project Lead, Careers Adviser and Project Administrator, all directly funded by the resource. The project Manager and Project Lead posts will be the first to be filled. These posts will sit alongside the Careers Hub team given their shared priorities.
- Two colleagues funded by ERDF resources who delivered the additional Growth Hub activity have now left the LEP due to cessation of resources. Three further members of staff will be impacted from the Autumn due to the end of European funding.

