

Hull and East Yorkshire LEP Board

23rd November 2023

Report from Jacquie Newman, Investment Programme Coordinator

Paper G – Investment Programme Update November 2023

1. Summary

1.1. This report updates the Board in relation to the legacy capital programmes: Local Growth Fund (LGF), Getting Building Fund (GBF) and the Growing Places Fund (GPF).

2. Recommendations

2.1. That the Board notes the latest progress report.

3. Report

3.1. This delivery report reflects the situation at the last complete quarterly claim period for LGF/GBF to end of September 23 (Q2).

3.2. 9 Remaining LGF projects are continuing to progress well, claims and output delivery is submitted alongside progress update written reports. Satisfactory progress is being made in achieving all outputs. It should be noted that delivery of outputs such as houses unlocked, are expected to be delivered beyond 2025.

4. Local Growth Fund (LGF) - all LGF is defrayed.

4.1. The following projects are being monitored closely to ensure match and output targets are being met.

	Targets remaining	Proposed completion date
12 – River Hull Integrated Catchment Strategy	Match and outputs	30/12/2023
33 – Skills Capital HETA engineering Centre	Outputs	31/03/2025
42 – Delivering House Growth (2)	Match and outputs	31/03/2029
43 – Unlocking the City Centre	Outputs	02/11/2026
46 – Central Cleethorpes	Match and outputs	31/03/2025
47 – Humber High Street Challenge	Outputs	31/03/2025
48 – Phase 3 @thedock	Match and outputs	31/03/2025

50 – Brough Relief Road Phase 3	Match and outputs	31/03/2025
55 – Humber Energy Academy	Outputs	31/03/2026

4.2. LGF46 - The Central Cleethorpes Regeneration Programme - A market engagement event has been held and a minor amendment to the planning application has been submitted with a tender documentation being finalised. Outputs and match spend have been delayed further, contract mobilisation will now be Jan – Mar 2024 with construction commencing April 2024. On going monitoring is in place by the investment team.

The proposed development comprises a new iconic building of 738 sq m (7,940 sq ft) approx. situated over three floors, with accommodation from 123 sq m (1,323 sq ft) approx. together with extensive balcony areas to all three floors.



4.3. LGF12 - Holderness Drain site - all the discharge pipework, windscreen cleaner, four pumps and tidal door spindles/hinges have been successfully installed. Overall works are due to complete on the 8th November, further slight delays due to the bad weather. Outputs and match spend continue to be monitored.



4.4. LGF50 - Brough Relief Road – Hedge planting was missed being completed in the correct ‘bare root season’ this will now be achieved in Nov 23. High proportion of remaining match will be submitted in Qtr. 4 23/24. Retention payment on the works contract is due March 2025. Close monitoring of outputs and match continues.

4.5. LGF42 - Delivering Housing Growth (2), match continues to be claimed on a quarterly basis. Expected completion 2029.

4.6. LGF43 – Unlocking the City Centre, progress continues to be delayed surrounding the demolition of the building and the retainment of the Grade II listed Three Ships Mural.

4.7. As previously discussed, a significant number of outputs will be delivered throughout the programmes after 2025 - primarily skills qualifications, houses and commercial floorspace. The sum of total outputs expected v to date by LGF projects in the HEY LEP region are as follows:

Local Growth fund	Profiled outputs	Actual outputs to date
Houses completed	3,269	2,464
Jobs/Safeguarded Jobs	6,886	8,569
Apprenticeships	977	841
New Learners Assisted	12,496	14,884
Commercial Floorspace created	25,998 m ²	8,668 m ²
Commercial Floorspace occupied	32,215 m ²	8,934 m ²

5. Getting Building Fund – GBF

GBF02 – Goole RaisE Business Centre, continue to submit outputs, steady progress is being made in attracting tenants. They are about to be awarded the BREEAM certificate of sustainability and expect to be classified as 'Excellent'.

GBF04– Delivering Housing Growth (3) Ings and Wawne, match and outputs continue to be claimed, updates received are positive, houses unlocked are expected to continue past 2025.

GBF05 – Hull & ER Cycle Route delivery is now complete. The changes included:

- The installation of controlled pedestrian crossing facilities across Beverley Road and Queens Road.
- Cycle lanes through the junction, connecting the existing northbound and southbound cycle lanes. Cycle lanes through the junction, connecting the existing northbound and southbound cycle lanes.
- Repairs to the raised beds on the north-eastern side of Beverley Road



A view of the new look pedestrian crossing.

- Hull CC continue to develop some additional works on Chanterlands Avenue and Bricknell Avenue. This will include public realm work and the proposal of a 20mph speed limit. These works did not form part of the original contract for the City Centre to Cottingham route, but these remain part of the commitment from HCC in terms of delivering cycle infrastructure.

GBF07 – Bespoke & Boulevard, phase 2 projects are complete. BeSpoke has created 12 jobs in total since the refurbishment of the building, 3 in Q3 2023. The success of the BeSpoke Centre has demonstrated the demand for business start-up space in this part of the City. Due to this the adjacent former HCC Housing Office is due to be refurbished in 2023/2024, creating a further 6 units. Boulevard is also at near full capacity. Both Council managed assets are near full occupancy, with businesses moving into next step units to meet the needs of their business.

6. Growing Places Fund – (GPF)

- 6.1. The scheme was established by the Hull & East Yorkshire LEP, following a Strategic Review of the Growing Places Loan fund and the cessation of Growth Funding to the LEP which had previously supported the Growing the Humber (Humber LEP) and Growing Hull & East Yorkshire (HEY LEP) grant schemes.
- 6.2. The HEY LEP Board have committed to disseminating £3.25m from the HEY LEP's Growing Places Fund to continue the 3-year business capital support programme to March 2025.
- 6.3. The GPF continues to be delivered successfully with funding recommendations or refusals delegated to the HEY LEP's independent Investment Panel, Chaired by David Kilburn.
- 6.4. Full membership of the Investment Panel, along with a record of approved grants can be found here - <https://heylep.com/board-page/investment-panel>
- 6.5. The team continue to concentrate on increased promotion of the GPF available; we are working in close partnership with the Made Smarter and Export Growth Grant (EGG) offer to deliver promotion events across the Hull and East Yorkshire region. GPF was represented at the Manufacturers Export Event 7th November at the Chamber of Commerce as part of the International Trade Week.

7. Growing Places Fund – Delivery Report

7.1. To date the GPF programme has received 108 Expressions of Interest. They cover a wide variety of sectors including Manufacturing, Construction, Agriculture & Horticulture, Hospitality, Retail and Wholesale.

7.2. GPF has currently received 58 applications with a grant ask value of £3,234,810.93.

7.3. To date 36 grants have been approved for award to the value of £1,759,837.90. Close monitoring of spend and outputs continues.

November grants for consideration are:

GPF097 Grotech - £43,245

GPF098 VIP Creative - £7,612.33

GPF099 BREng Hull Limited - £8,275.08

GPF103 Mark of Achievement Limited (t/a Notch) - £6345.00

GPF 107 Blok Build Ltd - £33,490.00

GPF Outputs to date

	Proposed	Actual to date
Jobs Created	306	23
Floor space created m2	11,382.5	741m2

GPF Case Studies



GPF044 Abbey Joinery – received £31,627.41 towards a new CNC machine complete with compressor, tooling, and extraction. “The GPF investment has made Abbey considerably more efficient, increasing product range and developing their customer base, ensuring they are more sustainable going forward.”



GPF030 Biotech Solutions Ltd were one of the first recipients of the Growing Places Fund. Initially the company worked mainly in the production of pet-care products, some of which were licensed flea and tick control products. Over time market requirements changed, and they diversified into other markets. The £13,375 GPF grant helped them to invest in a sachet filling machine as it became obvious that there was a need for this service. Supporting the expansion of their in-house service to a wider customer base.

8. Delivery Costs

8.1. There is no call on the HEY LEP's core budget to support delivery of the Investment Programmes at the current time. However, there will be ongoing programme monitoring requirements to at least 2025. The agreed underspend from the GBF Programme Management budget was transferred to support the Growing Places Grant/Loan Programme. GPF team will continue to monitor the requirements of the LGF and GBF Programmes until fully completed outputs and match has been achieved.