

1. Summary

1.1. This report updates the Board in relation to the legacy capital programmes: Getting Building Fund (GBF), Local Growth Fund (LGF) 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 June 23 (Q1).

3.2. Remaining projects are continuing to progress well, claims and output delivery is submitted alongside progress update written reports. Satisfactory progress is being made in achieving jobs and completed road/cycleway.

3.3. It should be noted that delivery of outputs such as houses unlocked, are expected to be delivered beyond 2025.

3.4. Hull and East Yorkshire Cycle Route Delivery project is now complete. Hull CC are looking 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 remain part of the commitment from HCC in terms of delivering cycle infrastructure.

GBF Programme summary – Annex 1

4. Risk Management

Project	Delivery Risks	Actions
Hull & East Yorkshire Cycle Route Delivery Programme	None - as routes are completed. Additional work proposed as 3.4 – but not confirmed.	GBF was defrayed in full by Qtr. 4 - 2022. The remaining match of £76,065 is due to be achieved by the end of Qtr. 2 – 2023. Programme delivery team continue to monitor match

		and outputs.
Growing Hull and East Yorkshire (GHEY)	Project completed.	Project has exceeded its contracted outputs. 55 businesses were supported, achieving on their deliverables related to business growth.

5. Local Growth Fund – Outstanding delivery

- 5.1. All LGF expenditure has now been defrayed.
- 5.2. The Investment Programme Team at the HEY LEP continues to monitor progress relating to both match expenditure and output delivery.
- 5.3. Stoneferry Road – outstanding defects are being addressed by the contractor – expected to be resolved by end of August 23.
- 5.4. Priory Park – completed May 23.
- 5.5. The Central Cleethorpes Regeneration Programme is not yet physically/financially (match) complete and progress updates will remain with HEY LEP until it is so. NELC received monies from Round 2 of the Levelling Up Fund and have two interested parties in commercially running the multi-functional building on Sea Road. The Investment Programme team held a meeting to discuss the performance of the project. Outputs and match spend are due to commence in Qtr. 2 23/24. Close monitoring will continue.
- 5.6. Holderness Drain’s site works are due to complete 1st September 2023 (Qtr.2 2023/24) this date might be delayed due to further bad weather through the current summer – the project will keep us informed as to any impact on continued progress. The Investment Programme team have visited the site to gauge the performance of the project and are confident with the positive progress being made.
- 5.7. Delivering Housing Growth (2), match continues to be claimed on a quarterly basis. Expected completion 2029.
- 5.8. As previously discussed, a significant number of outputs will be delivered throughout the programmes after 2025 - primarily skills qualifications, jobs and 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	425	3269
Jobs/Safeguarded Jobs	409	6886

Apprenticeships	425	977
New Learners Assisted	249	12,496
Commercial Floorspace created	12,243 m ²	25,998 m ²
Commercial Floorspace Occupied	13,243 m ²	32,215 m ²

6. Growing Places Fund – (GPF)

- 6.1. The HEY LEP Board have committed to disseminating £3.25m from the HEY LEP's Growing Places Fund to continue the 3-year business support programme to March 2025.
- 6.2. £0.45m from this allocation is ring-fenced to cover programme management and administration, including the retention of the Investment Programme team.
- 6.3. The Accountable Body is able to use this fund to exercise established freedoms and flexibilities to manage any underspend arising in the current Growing Hull and East Yorkshire programme, along with any outstanding management and administration allocation from LGF and GBF programmes, ensuring that agreed outputs/outcomes on LGF/GBF programmes are delivered too.
- 6.4. The GPF continues to build on the previous success and legacy of the Humber LEP's Growing the Humber Programme and the HEY LEP's Growing Hull and East Yorkshire business investment grant programme, with all funding decisions delegated to the HEY LEP's independent Investment Panel, Chaired by David Kilburn.
- 6.5. Full membership of the Investment Panel, along with a record of approved grants can be found here - <https://heylep.com/board-page/investment-panel> - GPF have recently recruited a new member to the investment panel with a background in property development/management, awaiting formal approval at the next LEP Board meeting (Sept 2023).

7. Growing Places Fund – Delivery Report

- 7.1. The Growing Places Fund officially launched in April 2022 and will continue to support local SMEs with the opportunity to apply for capital investment until March 2025.
- 7.2. To date the GPF programme has received 96 Expressions of Interest. They cover a wide variety of sectors including Manufacturing, Construction, Agriculture & Horticulture, Hospitality, Retail and Wholesale.
- 7.3. GPF has currently received 50 applications with a grant ask value of £2,911,640.
- 7.4. To date 34 grants have been approved for award to the value of £726,440. Five others were approved but either declined the offer or withdrew as their abilities to achieve the grant objectives had changed.

7.5. 18 out of the 34 grants awarded have drawn down the full support requested – close monitoring of outputs continue.

7.6. The next Investment Panel is to be held on 19th September – where GPF largest application for capital investment (potentially £750k) from Venture Business Space is to be presented for a final funding decision. This £7.2m investment in partnership with the HCC Levelling Up Fund (£750k) is to present their final case for grant funding to fully bring back into existence The Monacle, (formerly Europa House,) on the corner of Ferensway, a building which has stood empty for many years. The hope is to develop Grade A office space in a bid to regenerate this dilapidated building.



7.7. The team is also concentrating on increased promotion of the GPF available, we are working in close partnership with the Made Smarter and Export Growth Grant (EGG) to deliver promotion events across the Hull and East Yorkshire region.

GPF Outputs to date

	Proposed	Actual to date
Jobs Created	89	13
Jobs safeguarded	55	8
Floor space created m2	2,572.2	558.9

Outputs continue to be closely monitored.

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 is to be 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.

Annex 1 – GBF Programme Summary

Project	Summary	Allocation
Growing Hull and East Yorkshire	Business grant programme building on the established and successful Growing the Humber business investment programme. The scheme provided capital grants to stimulate growth in SME businesses.	£1.7m
Hull and East Yorkshire Highways Resilience Programme	Second phase of a programme that was previously funded through the York, North Yorkshire & East Riding LEP Growth Deal as a DfT retained scheme which expanded to cover neighbouring Hull.	£2m
RaisE Business Centre and Innovation Hub	RaisE Business Centre and Innovation Hub is located adjacent to the Siemens Mobility train factory on the Goole 36 Enterprise Zone. It is providing high-tech managed workspace and R&D facilities in manufacturing, engineering, and rail supply chains, and was developed in partnership with Siemens Mobility and the UK Rail Innovation Network (University of Birmingham).	£1m
Delivering Housing Growth Programme – Ings and Wawne 2	Extension of the existing, successful Delivering Housing Growth in Hull programme, previously part funded through LGF. Investment continues to deliver new spine roads, electricity supplies and drainage to accelerate delivery on two key housing sites.	£4.8m
Hull and East Yorkshire Cycle Route Delivery Programme	Programme of cycle infrastructure upgrade and provision of new cycle facilities where there are gaps in the network across the City of Hull and adjoining urban areas of East Riding of Yorkshire.	£2.7m
Managed Workspace Programme A - Grovehill	A new and improved managed workspace offer to meet demand and stimulate economic recovery at the Grovehill site in Beverley.	£0.5m
Managed Workspace Programme B – Bespoke and Boulevard	A package of new and improved managed workspace offers to meet demand and stimulate economic recovery in Hull.	£0.5m
Programme Management	Resource to ensure the robust management and administration of the programme. The programme is managed and monitored by the LEP's experienced Investment Programme Team, with support from officers of the Accountable Body.	

All Getting Building Funds (GBF) have been defrayed – the team continue to monitor match & outputs.