

DORSET PERFORMANCE AND INVESTMENT COMMITTEE

Meeting Date	5 November 2020		
Security Level:	Confidential <input checked="" type="checkbox"/>	Commercially Sensitive <input checked="" type="checkbox"/>	Unclassified <input type="checkbox"/>
Paper Title	Dorset LEP Programmes - Delivery Update		
Papers are provided for:	Decision <input checked="" type="checkbox"/>	Discussion <input checked="" type="checkbox"/>	Information <input checked="" type="checkbox"/>

SUMMARY OF RECOMMENDATIONS:

Growth Deal

1. The Committee notes the Growth Deal financial update, including risks identified.
2. The Committee approves the AECOM's contract extension until 31 December 2020.

1. PURPOSE

This paper gives an overview of Dorset LEP programme delivery. It is accompanied by several annexes, which are all classified as confidential due to containing commercially sensitive information:

- Annex 1: September 2020 meeting minutes - confidential
- Annex 2: Growth Deal programme overview – confidential
- Annex 3: AECOM change request – confidential
- Annex 4: Growing Places Fund programme overview - confidential
- Annex 5: Growing Places Fund – 5-year forecast – confidential
- Annex 9: Careers Hub Info Event power point slides

2. SUMMARY/BACKGROUND

A) GROWTH DEAL PROGRAMME

Annexes 2 provides a high level overview of all Growth Deal programmes and projects. This document has been updated specifically to outline risks to the programme related to the Covid-19 emergency. Any projects that require the Committee's attention, are high risk or had significant change since the last report are also identified in the text below with more details.

DORSET GROWTH DEAL - CONTRACTUAL COMMITMENTS

The following information is up to date as of 29 October 2020.

	Previous reporting period	Current Reporting Period	Forecast for Next Reporting Period (Nov & Dec 2020)
Total no of LGF projects:	50	54	Anticipated 57
Total no of closed projects:	28	30	33
Total no of ongoing projects:	22	24	24
Projects in due diligence:	0	3	none
Change from last reporting period:	<p>In this reporting period, Dorset LEP signed 4 grant agreements; two with Arts University Bournemouth (Innovation Space and Innovation Resources) and two with Bournemouth and Poole College (Remote Access to Resources & Workstations).</p> <p>Two projects were completed in September – Kingston Maurward College (Outdoor Adventure Centre & Estate Refurbishment) and Bournemouth University (Orthopaedic Research Institute - Phase 2).</p>		

	There are three projects in various stages of due diligence or awaiting signing of a grant agreement. These projects should enter grant agreements in November, subject to the successful completion of due diligence and Dorset LEP Board approval.
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DORSET GROWTH DEAL – PROGRAMMATIC AND FINANCIAL UPDATE

Dorset LEP updates the forecast profile on quarterly basis following the receipt of quarterly expense reports from our partner institutions. Moving forward, for Q3 and Q4, all partners are required to submit monthly forecast, and invoice Dorset LEP on monthly basis, where possible, in order to track spending in more 'real' time. Our team of Programme Managers is in daily/weekly contact with all our partners to monitor any changes in the financial profile or programme delivery and reports to Dorset LEP senior management any early signs that could indicate the projects will not drawdown their full funding by March 21 as currently anticipated.

Expressions of Interest

Based on Dorset LEP Board's recommendation from September 2020, Dorset LEP has completed an Expression of Interest.

In late September, we initiated a call for project extensions to all existing/ongoing projects. This call returned 18 applications from our delivery partners with a total request over £1.6m. All funding is available to allocate and spend by March 2021. **An email request for approval will be sent to the Board imminently, and the decision will be noted at the 25 November Board meeting.**

Dorset Growth Deal – Q2 Programmatic and Financial Analysis

In Q2, Dorset LEP recorded a total spend across all partners of nearly **£9.6m. This over-exceeded the projected spend for Q2 by more than £3m, mainly thanks to the completion of the Holes Bay project at the end of September.**

RECOMMENATION:

The Committee notes the Growth Deal financial update, including risks identified.

CHANGE REQUEST

South East Dorset Urban Mobility Strategy – AECOM

The extension of the SEDUMS project until 30th September was approved at the Performance & Investment Committee on 5 May 2020. The slippages were mainly due to Covid-19 related issues, such as non-availability of key staff due to illness. Dorset LEP has now received the draft strategy report from AECOM; however, in order to ensure that all partners are able to have time to fully contribute their input into the final version of the document, AECOM are requesting a last extension of the project until 31 December 2020. See **annex 3**.

Recommendation:

The Committee approves the AECOM's contract extension until 31 December 2020.

B) GETTING BUILDING FUND

The projects identified below were approved by the LEP Board for the Getting Building Fund in July 2020 and were subsequently approved by Government for the £11.8m fund.

The table shows the progress made to date on due diligence and governance on the whole GBF programme portfolio. **There are however two changes requiring LEP Board and BEIS approval. The LEP Board will be asked to agree these proposed changes as part of a written**

procedure paper submitted to the wider LEP Board imminently, and will be noted at the 25 November Board meeting.

	Name of Institution	Project Name	Amount Awarded	Due diligence status
1	Kingston Maurward College	University Centre and Rural Business Development Hub	£3,500,000	Completed
2	Poole Harbour Commissioners	Border Control Post	£365,000	Ongoing
3	Poole Harbour Commissioners	Public Trade Office	£330,000	Ongoing
4	Bournemouth University	Research Active Dorset Clinical Trials Unit	£497,397	Completed
5	Bournemouth and Poole College	Network Infrastructure	£689,600	Completed
6	Weymouth College	Higher Education Centre	£250,000	Completed
7	BCP Council	Old Town Creative Live/workspace	£1,700,000	Ongoing
8	BU & RBCH Hospitals NHS Foundation Trust	Institute of Biomedical Materials & Tissue Engineering Research	£1,416,792	Completed
9	Dorset NHS Clinical Commissioning Group	Long term condition remote management of hypertension	300,000	Completed
10	AECC University College	Integrated Healthcare Centre	2,700,000	Completed
TOTAL FUNDING REQUEST			£11,800,000	

C) DORSET GROWING PLACES FUND

Annexes 4 and 5 provide high level overview of Growing Places Fund projects. For more information on programmes/projects that have not had any significant change since the last report, are not high risk or require an approval/recommendation from the Committee, please see these annexes. Any projects that require the Committee's attention, are high risk or had significant change since the last report are identified in the text below.

Growing Places Fund Financial Overview

To date, the Fund has invested into 11 projects, 10 of which are loans and 1 is a grant. As of today, 6 projects were completed and loans repaid.

UPDATE ON ON-GOING PROJECTS

Ultrafast Broadband (grant) – Dorset Council

In 2017, Dorset LEP awarded £2m grant to Dorset Council for the delivery of the Ultrafast Broadband project. This project has been reported as red risk for delivery/time since September 2018. While still behind the original programme, over the last 3 quarters, the project has seen an increase in delivery of premises.

A total of 3270 premises have now been fully delivered to Customer Ready for Service (CRFS). This is out of an overall contractual delivery of 3856 premises. Field work has not been affected by Covid-19 and the delivery for the initial contracted build of 2960 THP are now complete with no outstanding snagging issues. However, there is a potential issue with ineligibility of premises in one structure which could potentially effect up to 10 THP. Dorset Council is working with BDUK and Openreach to resolve this issue. The completion of the full build is subject to the approval by Openreach of the final amended contract change request no 98 (CR98) which was received by Dorset Council on the 28th May. The change request has not be agreed yet due to the potential ineligibility of premises mentioned above but the structures covered by it are 100% complete. It is anticipated that the change request will be signed off by the end of the year as resubmission of the CR is now required. Subsequently, Dorset Council will need to re-profile Dorset LEP funding to align the remaining funding allocation with the project changes. In addition, a change request will need to be submitted to request an extension to the current grant agreement end date of March 21 as complete drawdown of remaining funds will now not be possible by then. Dorset Council will provide details on these changes to Dorset LEP by the end of November.

Update on key Dorset LEP sites under this contract:

- Dorset Innovation Park site is fully complete.
- Aviation Business Park – this is now fully complete and the milestone certificate has been issued. Capital payment request for £583,162 has been processed and a further revenue cost invoice of £20,833 has been received and will be processed this quarter.

D) DORSET GATEWAY

An overview of business engagements recorded for the period between 1 April 2018 and 30 September 2020 is presented below in **figure 1**.

Engagement Level	2018/19			2019/20			2020/21 (year to 30 September)		
	No. Businesses Engaged	Target	No. Businesses Engaged	No. Businesses Engaged	Target	Progress against target	No. Businesses Engaged	Target	Progress against target
Light touch	679	600	113%	1,099	900	122%	433	800	54%
Medium intensity	219	120	190%	483	180	268%	149	150	99%
High intensity	55	60	92%	85	90	94%	31	50	62%

Figure 1: Business engagements by intensity for period 01/04/18 – 30/09/20.

Since the 1st April, there have been 454 individual COVID-19 specific enquiries made into the Dorset Gateway. These figures represent individual contacts and do not include any subsequent calls that businesses might have made.

Social Media/Website Activity

Page	Unique Page Views			
	Q1 20/21	Q2 19/20	Q3 19/20	Q4 19/20
Dorset Gateway Landing Page	118	167	-	-
Finance and Funding	105	178	-	-
Skills and Training	31	46	-	-
Bid Writing	39	42	-	-
Support Services	7	17	-	-
Misc. (testimonials and articles)	4	21	-	-

Figure 3: Website – unique page views.

During July August and September there were 132 LinkedIn posts, attracting 23,010 impressions. There were also 26,659 Twitter impressions from 73 posts.

National Business Support Line Data

- YTD (01 Apr 2020 – 30 September 2020) the National Business Support Helpline has handled 56 enquiries from customers within the Dorset Gateway area. A majority of enquiries have come from Bournemouth based businesses/residents. A full breakdown of enquiries by local authority area (as they were pre-April 2019) is provided below.

INBOUND ENQUIRIES BY LOCAL AUTHORITY (YTD starting April)

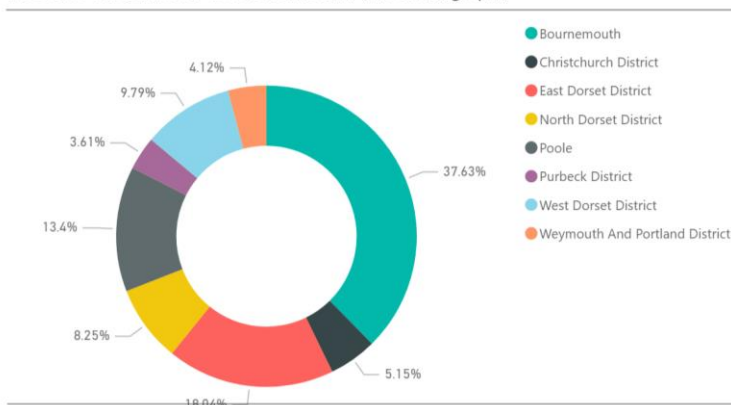


Figure 4: Inbound enquires by pre-April 2019 local authority area (YTD – 01/04/2020 – 30/09/2020)

- Unsurprisingly, enquiries relating to coronavirus (c.42%) represents a vast majority of enquiries handled by the Business Support Line. Enquiries relating to starting a business have seen a surge (c.24%) with enquiries in handled in September representing 37% of all in-bound calls. There was a similar trend for July and August and coincided with the first wave of redundancies caused brought about by the COVID-19 pandemic.

TOP ENQUIRY REASONS (YTD starting April)

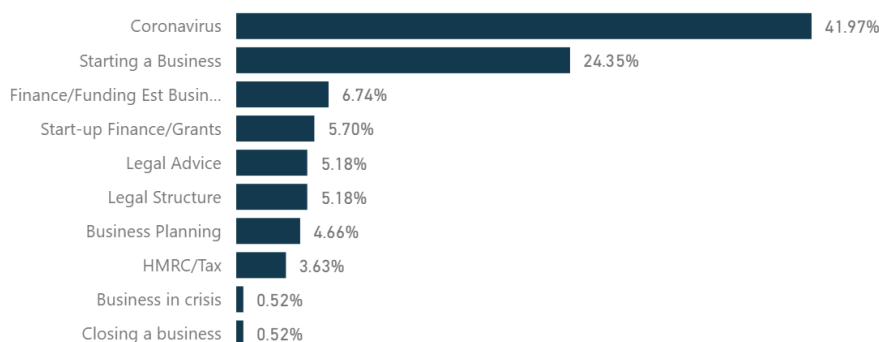


Figure 5: Inbound enquires by enquiry reason (YTD – 01/04/2020 – 30/09/2020)

Bid Writing Support Service (BWSS)

Dorset Gateway's funded BWSS has been extremely popular in the first two quarters of the year.

Based on a Freedom of Information request submitted to Innovate UK, since the start of April 2020, there have been 68 applications where the funding decision is known and the lead applicant is in the Dorset LEP region (based on the applicants registered address). Of these, 13 were successful.

From the 35 Expressions of Interest received by the BWSS during the same period, 11 have been taken through to submission, of which five bids have been successful in securing grant funding, totalling just under £285,000. This brings the total grant funds awarded to projects directly supported by the BWSS since its inception in June 2018 to £925,000.

Peer Networks Programme

Through the Dorset Gateway service, Dorset LEP managed to secure £165,000 of grant funding from the Department for Business Energy and Industrial Strategy (BEIS), to run a Peer Networks programme in Dorset. The Peer Networks programme will see the creation of a series

of peer network groups (cohorts), with each group consisting of 8-11 directors or managers from Dorset's SME business community. Sessions will be led by an experienced facilitator utilising the action learning methodology – a proven and highly effective way of running peer networks.

Dorset LEP has received initial funding from the government to support 120 participants and we will be working with a range of experienced and proven organisations to deliver this support between October 2020 and March 2021. Following an open, competitive tendering process, three external providers we're selected to deliver the programme in partnership with Dorset Gateway. These providers are:

- Dorset Chamber of Commerce;
- Evolve;
- CIRCLE Leadership;

Peer Networks is designed for business leaders who want to grow and develop their organisation for future success. Leaders and senior managers from Dorset's SME business community who meet the eligibility criteria below have been invited to register:

- Operated for at least one year;
- At least five employees;
- A turnover of at least £100,000; and
- An aspiration to improve business output.

Ideally, these businesses will also demonstrate the ability and ambition to scale-up and/or export, or will be exporting already. Following a very successful recruitment campaign with the delivery partners, we have nearly allocated all spaces onto the programme and will be in a position to start running the sessions from early November, placing us well ahead of many other LEP areas.

Throughout the course of the programme, we will be providing updates and interviews with participants on the programme in order to share their experiences and views on the support being provided.

For more information about the programme, visit: <https://www.dorsetlep.co.uk/peer-networks-programme>

Dorset Ambassadors

Following a break due to the current pandemic, we held the out first Dorset Ambassadors event of 2020. The Dorset Ambassadors are a re business people from all sectors across Dorset, who are passionate about being located and doing business in Dorset. They share a belief that further economic growth, more high-quality jobs, and improved skills are good for Dorset and its residents.

The virtual event included:

- Paul Shand from the Department for International Trade (DIT) who provided an overview of the Government's Export Growth Plan, which includes a new £38 million Internationalisation Fund available for Small and Medium-sized Enterprises.
- Ed Taylor from BAE Systems who spoke about the work that BAE Systems (through the Christchurch site) has been doing in recent months to engage with the region and support smaller businesses.
- Dr Sandra Rothwell who updated the group on the exciting work happening to launch Dorset LEP's Investment Prospectus and explained how businesses and business leaders can shape this work.

For more information about the Ambassadors Programme, visit: <https://www.dorsetlep.co.uk/dorset-ambassadors-programme>

EU Transition

From 31 October, we are increasing the support currently offered to Dorset's businesses to help them prepare for these changes. In addition to the information, advice and signposting already on offer, the increased support includes access to a specialist adviser to help businesses understand, navigate and answer questions. This also builds on the international trade support already provided by Dorset Chamber.

A fully-funded customs declaration support service is now also available to support up to 200 businesses. This service is available to those currently exporting so they can continue to do so after the transition period is over. Additionally, Dorset Gateway aims to support at least 40 businesses looking to become first-time exporters.

From 1 January 2021, there will be border procedures for importing and exporting goods to and from the EU. Traders importing standard goods, covering everything from clothes to electronics, will need to prepare for new customs paperwork. The new regulations are complex and businesses will need specialist advice and support in addition to the Customs Declaration itself.

The service will also include the promotion of international trade as a route to business growth including regular content on:

- Why businesses should consider exporting
- How to begin the export journey
- Support and help available
- How to access new markets

This information is already extensively promoted by Dorset Chamber through editorials, events and social media messaging.

To find out more about the service: <https://www.dorsetlep.co.uk/transition-period>

E) DORSET INNOVATION PARK

The MOD and Dorset Council grant agreement for the Defence Innovation Centre was agreed and signed on 24 August 2020 and the Enterprise Zone has a strong programme until the end of July 2021.

The Dorset Enterprise Zone Committee has been established and will act as a 'strategic board' for the Dorset Enterprise Zone. The Enterprise Zone Committee which met in October 2020 has the primary aim of unlocking opportunities for additional investment and growth of Enterprise Zone sites (and concurrent generate business rates growth return). The Committee will facilitate realising the potential of the site which includes up to £30m of retained business rates alongside the ability to support business relocation, growth and expansion. This includes job creation and ensuring Dorset remains an attractive proposition for business.

The Committee is concerned with setting and overseeing the strategic direction of the Enterprise Zone as well as the overall management of the Enterprise Zone programme.

Future areas of work which the Enterprise Zone Committee will cover include ensuring delivery of the project, establishing measures of success, clarity on roles and responsibilities, alignment with the Local Industrial Strategy and Investment Prospectus, strategic ambition and the inward investment pipeline.

F) CAREERS AND ENTERPRISE COMPANY – CAREERS HUB

The Dorset Careers Hub launched on the Thursday 8th October. Over 70 people attend, including some LEP board members, Dorset Chamber, but predominantly head teachers, careers leaders, and key staff from the Cornerstone Employers. The presentations are available as an attachment to the papers in **Annex 10**.

The programme includes 75 secondary schools, colleges and SEND establishments so the diversity moving forwards offers considerable challenge. Differences in the types of institutions and also the different stages they have reached in their careers education and advice present a range of different hurdles to overcome. The Hub Steering Group is considering how best to offer encouragement and financial support in order to allow the new entrants to the programme to catch up with the original 34 schools and colleges that were in the programme.

The Careers and Enterprise Company released the platforms for Primary School activities. We are expecting to trial this in Weymouth and Portland in the coming months. It results from experimental programmes delivered in the south-west. Once the programme is fully shaped, we will consider a resourcing plan to support the project.

The range of projects to be delivered in the coming academic year includes a plan to deliver 10,000 virtual work experience placements, in addition to plans for virtual careers fair and exhibitions, promoting industries and companies from the local economy. A £35k fund will be invested to assist schools who are new to the network. We have also selected 5 lead schools that will contribute to projects and disseminate best practices through their networks of head teachers and senior leadership teams.

Whilst the circumstances in schools have been difficult, with the return to school of pupils in a Covid Safe environment the core activities of the Careers Hub have continued through video conferencing and use of the national products provided by the CEC through web links.

This programme will require time to settle within the new circumstances.

Skills Programme

The Skills Board has met twice recently in order to consider the types of investments that need to be made in programmes/projects in the future to address the skills gap that will need to be tackled in the coming years.

The results will feed into the Investment Prospectus of the Dorset LEP and give shape and form to the programmes of activity required in the future.

The work that has been done, since October 2019, on the statistical base is beginning to have traction with a number of partners as Dorset LEP staff are now working with Job Centre Plus - Job Coaches using the Local Market Information (LMI) dashboard that were originally prepared in order to support the Careers and Enterprise Programme in Schools. The LMI reports are a visual reflection of the changes in the jobs and skills requirement across those industries that are key to the success of the Local Industrial Strategy but give support to those individuals advising young people and the unemployed in identifying those 'Pathways into Work' that are so key to a successful transition into the work place.

We have opened a dialogue with NESTA (the Innovation Foundation), a UK charity which has also been looking at the change in working opportunity in Scandinavia, Europe and North America. They have been plotting those jobs and careers most at risk from robotics and Artificial Intelligence balanced against those activities where growth may occur as:

- emotional intelligence,
- the building of partnerships,
- the shaping / taking of complex decisions, are a paramount concern.

NESTA have a comprehensive data base, the challenge is how to deploy the service to the benefit of those planning careers or seeking a new, or different, job.

Finally the Dorset LEP web site and channels for Social Media have been extremely busy re-posting information from Department of Education / Department for Works and Pensions / HMRC in order to assist in ensuring information of financial support, training opportunities, access to work programmes and the most up to date information on Apprenticeships is widely dispersed amongst Dorset Companies and the potential workforce.

REDACTED