

Annual Accounts

2020/2021

FOREWORD

Dorset LEP was established in 2011. The LEP works in partnership with businesses, local government, education institutes and other industry and community organisations to drive economic growth, attract funding and investment, increase productivity, innovation and earnings across Dorset.

The main activities of Dorset LEP are governed by Dorset LEP Board supported by a number of Committees:

- Strategic Infrastructure Committee
- Skills Advisory Panel & Board
- Business Growth & Inward Investment Committee
- Enterprise Zone Committee
- Performance & Investment Committee
- Finance, Audit & Corporate Risk Committee
- Overview & Scrutiny Committee
- Nomination & Remuneration Committee
- LIS Working Group
- Rural Enterprise Advisory Group
- Dorset Tourism Association Advisory Group

Between 2015-2021 Dorset LEP successfully secured £98.5 million for Dorset through the government's Local Growth Fund and £11.8m through Getting Building Fund to invest in economy-boosting projects focused on unlocking and unblocking key housing and employment sites, creating more highly skilled jobs, and supporting economic growth. We have also successfully launched projects via our Growing Places Fund loan scheme.

Dorset Council (DC) is the Accountable Body for Dorset LEP and provides financial, legal and technical assistance to support the LEP's programmes.

GOVERNMENT FUNDING RECEIVED

Dorset LEP undertakes a number of activities for which it receives specific funding from Central Government: Local Growth Fund; Growing Places Fund; Getting Building Fund, Growth Hub (Dorset Gateway); and Careers & Enterprise Company, as shown in the table below:

	Opening Balance 01/04/2020	Income received in year	Expenditure in year	Closing balance 31/03/20
Local Growth Fund	£15,466,891	£15,841,255	-£31,308,146	£0
Growing Places Fund	£6,852,042	£722,500	-£1,323,163	£6,251,379
Getting Building Fund	£0	£5,900,000	-£5,900,000	£0
Dorset Gateway	-£0	£863,051	-£863,051	£0
Skills	£47,819	£360,060	-£331,870	£76,010
Core Operational Budget	£2,055,695	£729,228	-£1,118,243	£1,666,680
Total	£24,422,447	£24,416,094	-£40,844,473	£7,994,069

Table 1. Government funding as at 31st March 2021

Local Growth Fund

This grant is received annually and is for projects agreed through the Growth Deals. The 2020/21 funding received from the Ministry of Housing, Communities and Local Government (MHCLG) totaled £15,841,255. This was also the final year of funding for the Local Growth Fund which was a £98.5m programme. The programmes supported under this fund are as follows and detail of all can be found on the Dorset LEP webpages <https://www.dorsetlep.co.uk/projects>.

	Programme Total (FY 2015-2021)
A338 Reconstruction	£18,424,130
A338 Package: Blackwater Junct & A338 Widening	£10,802,501
Cooper Dean	£1,835,280
Wessex Fields	£5,481,850
FWP (A348/A3049) Corridor	£1,300,127
B3073 Chapel Gate	£1,443,855
B3073 Hurn Roundabout	£848,828
B3073 Parley West	£30,000
South East Urban Mobility Strategy	£237,075
Cabot Lane/Broadstone Way	£427,000
Darby's Corner	£23,000
Gravel Hill & Dunyeats	£3,356,000
Hatch Pond	£307,000
Poole Bridge	£8,016,000
Townside Access	£9,930,000
Boundary Roundabout	£1,618,163
Gillingham Growth	£3,527,227
Agri-tech Centre	£900,000
Outdoor Adventure Centre & Estate Refurbishment	£111,675
IT Infrastructure Upgrade	£124,733
New Green Classroom	£69,711
Centre of Excellence for Motor Vehicle Technology	£251,296
Engineering Centre of Excellence	£695,000
Centre of Excellence for Construction Skills	£825,000
Engineering & Manufacturing Project	£564,637
Finance & Business Services Project	£1,998,054
Construction and Engineering	£763,473
Digital Design	£12,527
Digital and Enterprise Innovation Hub	£105,928
Remote Access to Resources	£120,000

Workstations	£476,550
Innovation Studio	£1,580,000
LapSafe Learning Level 3	£51,675
Innovation Suite	£230,000
Innovation Resources	£124,400
Orthopaedic Research Centre I	£700,000
Orthopaedic Research Institute (ORI) Phase 2	£1,026,312
Institute of Medical Imaging & Visualisation	£1,401,275
Eden Portland	£1,000,000
Jurassica	£300,000
Mary Anning Wing	£56,250
Shire Hall	£56,250
Swanage Pier	£56,250
Smart Place Pilot (5G)	£1,000,000
Lansdowne Business District	£4,800,000
Dorset Smart Place Investment Plan	£380,000
Defence BattleLab (Innovation Hub)	£1,680,000
Literary & Scientific Institute	£56,250
Quadrant	£600,000
Histopathology Diagnostic Hub for Dorset	£2,740,000
Holes Bay	£5,000,000
Western Growth Corridor	£593,957
Stewart Agri-Tech Glasshouse	£298,350
Governance and due diligence	£64,228
TOTAL EXPENDITURE	£98,421,817

Local Growth Fund: expenditure as at 31st March 2021 and total expenditure for FY15/16 to FY 20/21

Growing Places Fund

In 2012, Dorset LEP was awarded £9.7m from central government's Growing Places Fund (GPF) to provide short-term repayable loans to kick-start economic development projects across Dorset. From investment in business parks and business innovation to rail crossings and broadband, the GPF loan supports projects that might otherwise have stalled or not got off the ground in the first place.

During 2020/21, Dorset LEP received £722,500 in interest loan payments and capital loan repayments, allowing these funds to be reinvested to the economy in 2021/22.

The total value loaned out as of 31 March 2021 was £6,251,000. Loan interest invoices continue to be raised monthly and tracked to ensure payment is received regularly, excluding to any organisation on a 'loan holiday' (agreed by the Performance and Investment Committee) due to the COVID-19 pandemic.

Getting Building Fund

In 2020, Dorset LEP was awarded £11.8m from central government's Getting Building Fund (GBF) to provide grants for 'shovel ready' projects, aimed at restarting and rebuilding the Dorset economy in light of the COVID-19 pandemic.

The 2020/21 funding received from the Ministry of Housing, Communities and Local Government (MHCLG) totaled £5,900. The overall values awarded to each project for 2020-2022 is shown in the table below:

	Total allocation 2020-2022
Border Control Post	1,216,792
Dorset Clinical Trials Unit	497,397
Fibre Hub Connectivity in Rural Dorset	1,696,211
Higher Education Centre	250,000
Integrated Rehabilitation Centre	2,700,000
Network Infrastructure	689,600
Public Trade Office	950,000
Remote Management of Hypertension	300,000
University Centre and Rural Business Hub	3,500,000
TOTAL	£11,800,000

Table 2. Getting Building Fund allocations at 31st March 2021

Dorset Gateway

This grant is received annually for the support of SME businesses in the area. Dorset Gateway is the central repository of information, advice and support for businesses within the county, offering a business support service (including bid writing support) and signposting to the most appropriate local or national commercial or public funded assistance available.

£863,051 was received during 20/21 for Dorset Gateway activities, including a core and supplementary funding from BEIS and funding such as Peer Network Programme, EU Transitions Funding and South West Cluster Funding.

Gateway expenditure totaled £863,501 during the financial year. As per the requirements for the funding, an internal audit was undertaken to verify the grant claim and this was passed successfully.

Skills

Dorset LEP skills funding for 2020/21 was £470,880 which included income and an opening balance. This includes funding received from the Careers & Enterprise Company to support activity such as the Dorset Careers Hub and Enterprise Adviser Network as well as sustainability activity. The Dorset LEP Careers Hub drove the delivery of the Gatsby Benchmarks forward, with 2020/21 delivery covering all secondary schools in Dorset. It also includes funding from Department for Education to support activity such as the delivery of our Labour Market Information and funding for initiatives such as Mid Life MOT from the Department for Work & Pensions.

Expenditure for 2020/21 under skills was £331,860 with the underspend being used for committed activity until September 2021 as the CEC runs on academic rather than financial years.

CORE OPERATIONAL INCOME AND EXPENDITURE

Dorset LEP receives two elements of grant funding from the Ministry of Housing, Communities and Local Government (MHCLG) for its operational activities: core funding and strategy/capacity funding. Dorset Council and Bournemouth, Christchurch and Poole Council match funds the core funding element. Dorset LEP also generates other sources of income including Local Growth Fund interest receivable generated by balances held in reserves by the Accountable Body (Dorset Council) on behalf of the LEP.

The Dorset LEP Board agree an annual operational budget each year which covers the running costs of Dorset LEP, which includes staff salaries, office expenses, communications & marketing and professional fees.

Opening Balance (1)	2,055,695
Income	
Core Funding	250,000
Strategy Funding	250,000
Partner Matched Funding (2)	105,000
Capacity Funding	55,000
Bank Interest (3)	54,228
Total Income	729,228
Expenditure	
Staff Costs	805,846
Sponsorship	8,717
Supporting Priority Sectors	10,000
Strategy Development	157,697
Legal / Insurance Fees	13,509
Marketing and Comms	9,527
Board Members Travel/Conference Expenses	5,700
Accountable Body (4)	53,000
Project Support (5)	39,248
Total Expenditure	1,118,243
Long term liability (6)	200,000
Closing Balance	1,466,680

Table 3. Dorset LEP operational income and expenditure accounts as at 31st March 2021

Notes on the accounts:

1. The opening balance includes the total accumulated generated interest rates on GPF loans and core funding, and underspend on previous years.
2. Funding received from both Bournemouth, Christchurch and Poole Council and Dorset Council for their contribution to the LEP (£52,500 each).

3. Includes bank interest and interest generated on loans.
4. Charge to Dorset Council for the Accountable Body support to Dorset LEP.
5. This includes external due diligence costs on prospective Growing Places Fund loans.
6. An earmarked reserve to allow the LEP to meet its commitments should LEP funding discontinue.