

West of England LEP Board Meeting

Wednesday, 18 January 2023, 9:30am

Via Zoom

AGENDA

	Subject	Presenting	Pages
1.	Welcome from Chair <i>Apologies received prior to the meeting from Ruth Jefferson, Patricia Greer and Will Godfrey.</i>	Richard Bonner	
2.	Minutes of the meeting held on 21 June 2022 <i>To approve minutes from the previous meeting.</i>	Richard Bonner	3 - 6
3.	Declarations of Interest <i>All Board members have a responsibility to treat all proposals/projects equally and impartially and must therefore declare whether they or their organisation has either a direct or indirect interest in any of the projects to be considered by the Board.</i>	Richard Bonner	
Items for Discussion			
4.	Overview of the Region	Richard Ennis	
5.	West of England Growth Hub <i>An overview of the region's business support service, including delivery arrangements, performance to date and future direction and opportunities</i>	Stephen Bashford	7 - 10
6.	Climate & Ecological Strategy and Action Plan [CESAP] <i>To provide an update on the West of England CESAP and discuss opportunities for the region on low carbon energy generation and infrastructure.</i>	Kieran Highman	11 - 12
7.	West of England LEP & IBB Forecast <i>A forecasted revenue for the financial year</i>	Selonge Russell	13 - 20
8.	Any Other Business		
Items for information			
9.	Papers for January Committees <i>Feedback to LEPChair@westofengland-ca.gov.uk in advance of the meeting being held on 27 January 2023.</i>		

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Agenda Item 2

West of England LEP Board

Tues 21 June, 9:30am
Meeting held “virtually” via Teams

Present:

Richard Bonner, Arcadis (Chair)
Katharine Finn, PwC (Vice Chair)
Joanne Rumley, Foot Anstey
Margot Day, Arup
David Brown, The Bristol Port Company
Nigel Costley, TUC

Natasha Swinscoe, WEAHSN
Zoe Metcalfe, Atkins
Mayor Marvin Rees, Bristol City Council
Cllr Steve Bridger, North Somerset Council
Cllr Toby Savage, South Gloucestershire Council
Mayor Dan Norris, West of England Combined Authority

Officers in Attendance:

Jess Lee, West of England Combined Authority
Stephen Bashford, West of England Combined Authority

Melissa Houston, West of England Combined Authority
Rachel Pykett, West of England Combined Authority
Jo Walker, North Somerset Council

Also Present:

Cllr Winston Duguid, Chair of Scrutiny Committee
Prem Goyal, City of London

Gavin Edwards, University of Bath (item 5 only)
Ben Woods, University of Bath (item 5 only)

Apologies:

Christopher Grier, Airbus
Prof Sue Rigby, Bath Spa University (Vice Chair)
Neil Douglas, Viper Innovations
Ruth Jefferson, Wessex Water
Patricia Greer, West of England Combined Authority

Cllr Kevin Guy, Bath & North East Somerset
Mike Jackson, Bristol City Council
Will Godfrey, Bath & North East Somerset
Dave Perry, South Gloucestershire Council

Minutes

1.	Introduction from the Chair Richard Bonner welcomed everyone to the meeting and welcomed Prem Goyal from City of London who is attending this LEP Board meeting as an observer and for item 4's discussion. Richard also noted that this was Nigel Costley's first LEP Board meeting as a new business member. Apologies were noted.
2.	Minutes of the meeting of 30th March 2022 The minutes of the meeting held on the 30 th March 2022 were then agreed as a correct record.
3.	Declaration of Interest The Chair reminded Board members that they had a responsibility to treat all proposals/projects equally and impartially and must therefore declare whether they or their organisation had either a direct or indirect interest in any of the projects to be considered by the Board. There were no declarations of interest.
Items for discussion	
4.	Pre Goyal, Alderman from the City of London Prem thanked the LEP Board for the opportunity to attend today's meeting and gave a brief overview of his position as Alderman and potential areas of collaboration to strengthen connections between London and West of England, including but not exclusively, attending future Board meetings and providing

	<p>updates on the City of London.</p> <p>Stephen Bashford gave a brief presentation from a West of England perspective to highlight the synergies, particularly around the professional services sector, fintech cluster and joint investment and trade activities both nationally and internationally.</p> <p>In discussion the following points were made:</p> <ul style="list-style-type: none"> ▪ To deepen the relationship and to increase collaboration we need to identify ways to ensure connections are sustainable. ▪ Prem confirmed that there are a number of teams within the City of London with sector expertise including an ‘Investment & Growth’ team that he can connect officers with to explore opportunities to collaborate. ▪ The opportunity to share experience of supporting low carbon projects to investment readiness was raised by the Mayor of Bristol ▪ Mayor Dan Norris highlighted that the City of London owns a number of designated heritage assets including the Barbican and would therefore be interested in exploring and developing the Arts and Culture offer. ACTION: Prem Goyal and Dan Norris to meet and discuss further. ▪ Links around the social mobility agenda and an opportunity to share best practice as the City of London has a 10-year Social Mobility Strategy which has been in place for 3-4 years. ACTION: Prem to share what progress has been made <p>ACTION: Team will coordinate the synergises and follow up with Prem separately on how to move these forwards.</p>
5.	<p>Regional opportunities around sustainable energy generation, including hydrogen</p> <p>As part of our approach to achieve net zero and to discuss the regions emerging opportunities for sustainable energy, including hydrogen, Richard welcomed Gavin Edwards and Ben woods from the University of Bath to begin the item by giving members an overview of IAAPS - a live case study.</p> <p>IAAPS was originally set up to be a globally recognised centre for industry focused R&I and to create a collaborative hub to work with the automotive industry and to take propulsion research forward and achieve net zero target, as well as develop skills and education to support the sector - Capabilities have developed over the last 5-years and are now wide ranging. Although automotive is at the core, 50% of activity is now Aerospace and other sectors.</p> <p>The team have secured £2.5m from the UK Research Partnership Innovation Fund (RPIF) to install H2 infrastructure at the new IAAPS facility (based at the Bristol & Bath Science Park and will officially open in July 2022). This will allow the installation of a green hydrogen production capability - solar panels on the roof, an electrolyser to generate hydrogen and storage tank.</p> <p>In discussion the following points were made:</p> <ul style="list-style-type: none"> ▪ The challenge of launching new projects is to join together and not only inspire the next generation to embark on this sector as a career but also inspire our existing workforce and upskill for future technologies. ▪ Cllr Toby Savage highlighted the work around Hydrogen that Western Gateway are leading on - mapping of assets across Wales and the West of England area. This will launch in due course and help set out our position to Government as to why we are the place to do international business. ▪ There is a need to capture and retain talent. Within our skills agenda there needs to be a thread running through everything we do. ▪ Members were reminded that the Skills Advisory Panel plays a key role - There are a number of tools currently being delivered across the region around skills. It’s important to work towards capturing opportunities for jobs, making sure there are clear access routes, and the team would welcome further collaboration with IAAPS to achieve this. ▪ Nigel Costly made the point that the skills focus should be on inspiring and upskilling the existing workforce as well as the next generation <p>David Brown informed members of a newly formed, industry led consortium called South West Hydrogen</p>

	<p>to support the government’s ambitious drive to generate 10 GW of low carbon hydrogen production capacity by 2030. This partnership of organisations is in its early stages but has had some great bilateral dialogs and links supply and demand centres in the region, enabling cross-sector collaboration to drive the development of hydrogen infrastructure and technology.</p>
6.	<p>UK Shared Prosperity Fund (UKSPF) At March’s LEP Board meeting board members were given an overview of the forthcoming UK Shared Prosperity Fund, a £2.6bn funding stream to replace the EU Structural funds.</p> <p>Rachel Pykett summarised progress so far, including the West of England allocation and proposed timeline. To date, our engagement with the LEP Board, Unitarity Authorities and wider stakeholder groups have highlighted a range of challenges and opportunities and have helped to identify a set of proposed regional principles and priority outcomes which will frame our investment plan.</p> <p>To date online engagement has seen 20+ responses from the proforma and a webinar for the voluntary sector has been scheduled for early July.</p> <p>Comments from members around the process and mechanics for approving the projects were noted, alongside a request for an overarching vision to help create a framework for decisions - what’s the problem we’re trying to solve?</p> <p>Mayor Marvin Rees also informed members of a recent session with Neil O’Brien in his role as Chair of City Regions. UKSPF has a number of opportunities and challenges - Be mindful that the LEP can use this forum to feedback to gov on how it’s landing in the region. Four key challenges [from across the country] that have been highlighted are:</p> <ul style="list-style-type: none"> ▪ Timescales are too short ▪ A need for longer term predicable finance ▪ Reserving people and skills funding to 2024-25 - this is too late ▪ Clarity on the role the MP’s will play in imputing how UKSPF is spent
7.	<p>AOB Richard updated members on the LEP working group - recently formed to work through the LEP Integration and its practicalities. The group has met a couple of times and is required to complete a questionnaire. The group will therefore wait and reconvene once the final template has been received from government.</p> <p>Mayor Marvin Rees informed members of a new city wide initiative to address the cost-of-living crisis ahead of the winter months. Bristol City Council will be working with local networks to open schools and community venues in the evening to provide families with a place to spend time - feeling warm, feed and supported. Ideas and support [from individuals or businesses] are welcome, please do get in touch.</p>
Items for information only	
8.	West of England Growth Hub - Annual Report Summary
9.	Papers for June Committees Richard Bonner will be attending the WECA Committee and Joint Committee on the 8 th April. Business members were asked to provide any feedback to Richard by Wednesday 6 April .

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**West of England Local Enterprise Partnership
Board meeting – Wednesday 18 January**

West of England Growth Hub

Purpose of the report

1. To provide an overview of the region's business support service, the West of England Growth Hub, including delivery arrangements, performance to date, and future direction and opportunities.

Recommendation

For Board members to note background ahead of a presentation at the meeting.

Overview

Background

2. Small businesses have long been regarded as essential drivers of growth in the UK economy and research has shown that those that utilise support services during their early years of development are more likely to succeed in creating high value companies. There are currently 55,095 SMEs in the West of England each employing fewer than 250 people – 99.5% of the total business stock – with 45,880 (83%) employing fewer than 10 people. There is a strong need to provide effective support for small businesses due to many struggling to find what they need to access supply chains, plan effectively, and scale up
3. Despite these benefits, however, the take up of business support is generally low. It is often difficult to assess the benefits of bespoke advice and support without having yet experienced it – this means the support can be undervalued by businesses. Compounding this issue is the fact that the business support system at local, regional, and national levels is historically fragmented and complex for small businesses to navigate. These result from market failures such as information inequalities, concerns about the cost/value of services, and concerns about the trustworthiness of external support and advice to access finance and foreign markets, for example.
4. Growth Hubs stem from national government policy aimed at delivering a more consistent and quality-driven service for businesses to raise productivity and deliver economic growth across the English regions. In simple terms, they:
 - Offer a triage, diagnostic and signposting service so businesses can access the right support at the right time.
 - Provide co-ordination and simplification of the business support 'ecosystem' in partnership with a range of local and national stakeholders, across the public, private and third sectors.
 - Shape provision according to local business needs and maintain wider communication channels with businesses.

- Support delivery of national and regional strategies, policies and programmes; and
 - Gather 'on the ground' business and economic intelligence to support local and national service provision, and ongoing policy development.
5. The West of England Growth Hub, managed by the Combined Authority's Business and Skills Directorate, is an integral part of the region's support for businesses, drawing together a wide range of interventions into a single coherent offer.
 6. Since April 2022, our Growth Hub supported over 2,864 businesses, with a 69% annual increase in intensive growth support **where a business received multiple support measures*. In the previous year the service received 46,170 unique visitors to its revamped website, helped almost 800 individuals start a business, and directed 2,078 businesses to a relevant skills or training programme. Since 2018/19, it has supported just over 9,800 businesses in total. An interactive performance dashboard can be accessed [here](#).

Delivery arrangements

7. The Combined Authority has built additional resource to complement the Growth Hub offer, including through regional recovery funding which now stands at £20m total investment. This has included, for example, a Cultural and Creative Recovery Programme (with targeted support for creative freelancers), a Business Growth and Adaptions Grant, and continuation of the Low Carbon Challenge Fund, among other new strategic programmes and services.
8. In addition, the West of England Productivity Challenge – a £5m investment blending core Growth Hub funding with Combined Authority Investment funding – established to tackle low productivity (our "long tail") by promoting the uptake of new technologies, innovation, improved management practices, cleaner business models, and export opportunities, has continued to deliver.
9. The £8m Workforce for the Future programme, has enhanced the Growth Hub's skills and training offer to small businesses, including through 'Share to Support' – a regional service designed to encourage levy paying businesses to support the creation of new apprenticeship opportunities across their supply chains – this has already retained £1m funds in the region (with a further £2m pledged) and generated over 200 apprenticeships.
10. Alongside this core regional offer, the University Business Support programme – a 'hub and spoke' model of business support delivery between the Combined Authority and West of England Unitary Authorities – has helped extend the reach of core services into all parts of the region and facilitated a more inclusive approach.

All of these interventions are summarised in a refreshed [Business Support Guide](#).

11. The Growth Hub has continued to develop key partnerships with local, regional and national stakeholders. The regional Business Insights Panel has been particularly valuable and was established to provide intelligence on 'real time' issues and

opportunities impacting on the local economy. The Panel shares good practice and information on business support projects, services and initiatives being introduced and delivered in the West of England. Membership includes Business West, FSB, Visit West, Institute of Directors, ICAEW, British Business Bank and the main regional commercial banking leads.

Impact

12. An *evaluation* has shown that:

- Business feedback about the Growth Hub services is generally very positive. Most businesses rate the support provided very highly, and many responses to surveys mention the quality of interactions with Growth Hub staff and the importance of a personalised approach.
- The business support ecosystem in the West of England remains very complex, however, with numerous publicly funded providers and multiple levels of 'regional' organisation. Some businesses found it difficult to correctly identify the funder or provider of their support, leading to confusion. The Growth Hub's prominence in the ecosystem has reduced this issue to some extent.
- The Growth Hub provides support to thousands of businesses, and no business network or business support provider reported receiving any significant negative feedback. Despite the breadth of support offered, the perception of the Growth Hub is positive across the board.
- The Growth Hub has pivoted more to high intensity support in the last year reflecting the impact of macroeconomic factors like the Covid-19 recovery and inflation. Growth Hub statistics show increases in medium and high intensity support and similar increases in referrals to skills, training, finance and funding courses.
- 50% of businesses that responded to the evaluation survey had experienced improvements in productivity or staffing as a result of the support. Some respondents describe the support having dramatic positive effects on their business.

13. An evaluation of the West of England Productivity Challenge, 18 months into delivery, concluding it had exceeded all targets, engaging 21,675 businesses with 2,705 receiving a meaningful intervention, 160 new business starts and 237 new jobs. Business surveys undertaken through the review, demonstrated high levels of satisfaction. Most notably 54% of survey respondents said their productivity had already increased since receiving support.

Looking forward

14. Despite this broadly positive picture, the Growth Hub faces ongoing challenges in maintaining and building on the high-quality service which has been developed. BEIS has confirmed core funding for the 2022/23 delivery year at 50% of the value of the last two years, which means certain aspects of our offer will need to be reduced. The

Combined Authority with the West of England Unitary Authorities is currently looking at alternative funding sources to bridge this gap, including the UK Shared Prosperity Fund.

15. The reduction in funding and the absence of a longer-term funding settlement, will inhibit the ability of our services to focus more concertedly on the strategic issues that matter the most to our people and businesses. Soaring inflation, driven by increasing energy costs, is already placing huge pressures on the region's businesses at a time where the impact of the pandemic has left many vulnerable.
16. The Growth Hub will play a key role in delivering on the West of England Metro Mayor's priorities. This includes, for example, the [Good Employment Charter](#) - a new voluntary and free accreditation scheme, to ensure employers provide a more rewarding, inclusive, and sustainable work environment for all their employees. The Charter has already seen over 100 businesses sign up as active supporters.
17. The new [West of England Jobs Connect](#) service has been established to help businesses develop an end-to-end recruitment approach to make it much easier to access the people they need to fill job vacancies and manage redundancy situations. In addition, the new Climate and Ecological Strategy and Action Plan 2022, will support businesses and local people to benefit from the growth in the green economy; maximising government investment in the region and supporting our businesses to grow, by tapping into new opportunities like renewable energy.
18. There are opportunities to further extend the reach of support across the region by strengthening links and capacity across the Combined Authority and Unitary Authority economic development functions, building on the success of the Universal Business Support programme. The UAs and CAs are currently co-designing a new *West of England Business Support Programme* to double down on efforts to: 1) build economic resilience; 2) increase business productivity and sustainability; 3) address Issues of access, inclusion, and social mobility. The programme valued at £8.5m of investment over three years will deliver 370 new jobs (FTEs), 262 business start-ups, and a net GVA uplift of £18m. Funding from a range of sources is being targeted including the new UK Shared Prosperity Fund and the Combined Authority's Investment Fund.
19. The new £200m [South West Investment Fund](#), led by the British Business Bank, aims to increase the supply and diversity of early-stage finance for smaller businesses. Going live in 2023, it will offer a range of commercial finance options with loans from £25,000 to £2 million and equity investment up to £5 million. The Growth Hub will have a key role to play working with fund managers to maximise take up of the Fund across the West of England.
20. A range of *Case Studies* of how Growth Hub support has helped people and businesses to make real changes and increase their growth prospects can be found [here](#).

Authors: Stephen Bashford and Antony Merritt

**West of England Local Enterprise Partnership
Board meeting – Wednesday 18 January 2023**

Climate & Ecological Strategy and Action Plan – progress update & opportunity for review

Purpose of the report

1. To update the LEP Board on the West of England Climate and Ecological Strategy and Action Plan (CESAP) and support a discussion on progress. The CESAP can be accessed [here](#).
2. The discussion will cover:
 - A summary of the CESAP & progress since its release in April 22
 - Focus on Green Jobs and Skills
 - A forward look to consider opportunities to strengthen the CESAP

Recommendation

The LEP Board note progress, contribute to the revision of the CESAP and consider where members may be able to support delivery of the plan.

Background

3. The CESAP has been in place since April 2022. It sets out an ambitious approach to tackling the climate and ecological emergencies that have been recognised by the region. Now that we are nine months on from the adoption of the plan, officers are assessing progress, undertaking a review of the document and proposing revisions for the next iteration of both the Strategy and Action Plan.
4. We have an ambitious target of bringing 23,000 green jobs to the region. There is significant activity in place which is moving us in the right direction. However, more needs to be done to scale up and join up existing activity if we are to reach this target.
5. A key challenge is creating the demand for green skills. We are well positioned as a Combined Authority to help stimulate demand while in tandem supporting business to transition to low emissions, and create the green skills pipeline required.
6. Officers have identified several challenges and opportunities in delivering the green skills actions. We would welcome the Boards insights on the following questions during the meeting:
 - What challenges are you facing relating to green skills/jobs? What do you see as the major opportunities?
 - Are there particular areas where you think stimulating demand should be prioritised?
 - Are there areas of current delivery you think should be prioritised for upscaling?
 - What opportunities are there to attract significantly higher levels of investment into the region that would enable us to operate at the required scale to achieve net zero by 2030 and realise the economic opportunities that this transition presents?

Author: Roger Hoare

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REPORT TO: WEST OF ENGLAND LOCAL ENTERPRISE PARTNERSHIP BOARD MEETING

DATE: 18 JANUARY 2023

REPORT TITLE: LEP BUDGET SETTING REPORT – 2023/2024

DIRECTOR: RICHARD ENNIS, INTERIM ACTING CHIEF EXECUTIVE & DIRECTOR OF INVESTMENT AND CORPORATE SERVICES (SECTION 73 OFFICER)

AUTHOR: SELONGE RUSSELL, HEAD OF FINANCE

Purpose of Report

- 1 The report sets out the proposed Budget in respect of the Local Enterprise Partnership (LEP) for 2023/24. This report also represents the forecasted revenue for the financial year 2022/23 based on data from the period April 2022 to December 2022. The report covers the Local Enterprise Partnership (LEP) and Invest Bristol & Bath (IBB) revenue budgets.

RECOMMENDATIONS:

- a) Note the LEP Budget for 2023/24 as set out in Appendix 1;
- b) Note the forecasted LEP revenue forecast for 2022/23 as set out in Appendix 2;

Background / Issues for Consideration

- 1 The West of England Combined Authority, (CA), acts as the Accountable Body for the range of funding streams on behalf of the West of England Councils and LEP. This report sets out details of the proposed revenue budgets for the LEP for the 2023/24 financial year and provides a forecast against current year budgets.

LEP Delivery and Running Costs and Medium-Term Forecast

- 2 The core running costs of operating the LEP in terms of furnishing the Joint Committee, operating the LEP Board and applying for, receiving, and managing various grant streams has been consistent for several years now. Savings have been enacted where possible, however such opportunities are limited due to the need to retain a two-tier committee structure for managing funding within the region. With increments and staff pay awards, the core costs for 2023/24 amount to £1,086k which are mainly funded by:
- A core LEP Capacity grant of £375k (Reduced in 2022/23 from £500k) which is approved on a year-by-year basis;
 - Match funding contributions from the four West of England Unitary Councils (£440k);
 - A time limited RIF administrative grant which will be fully utilised by 2023/24 (£112k)

Figure 1: LEP Core Running Costs Net of Specific Grant Allocations:

	2022/23 Budget £'000s	2023/24 Budget £'000s	2024/25 Budget £'000s	2025/26 Budget £'000s	2026/27 Budget £'000s
Core Staff and Related Overheads*	1,287	1,086	1,119	1,140	1,161
Funded by:					
Unitary Authority Contribution	440	440	440	440	440
LEP Core Capacity Grant**	500	375	375	375	375
Drawdown from Reserve	160	160	160	0	0
RIF Admin grant	184	112	0	0	0
Total Funds	1,284	1,087	975	815	815
Increase / (Shortfall) in funding	(3)	1	(144)	(325)	(346)

* Reduction in staff costs due reduced housing activity.

**Actuals Received in 2022/23 were £375k against the budget of £500k.

Specific Grants and Activities from the LEP Budget

- 3 Specific grant funding of £10.7m was generated in 2022/23 and correspondingly, £6.8m for 2023/24 as detailed in Figure 2.

Figure 2: LEP Specific Revenue Grant Income – Medium Term Forecast

LEP Grant Income	2022/23 £'000s	2023/24 £'000s	2024/25 £'000s	2025/26 £'000s	2026/27 £'000s	Total £'000s
A - Net Zero Hub (BEIS)	3,789	3,296	1,320	1,037	0	9,442
B - Green Homes (BEIS)	3,908	0	0	0	0	3,908
C - Growth Hub (BEIS)	350	350	0	0	0	700
	8,047	3,646	1,320	1,037	0	14,050
D - One Public Estate (DLHUC)	33	678	0	0	0	711
E - Infrastructure & Investment Plan (DLHUC)	19	183	47	0	0	249
F - LEP Additional Capacity (DLHUC)	104	0	0	0	0	104
G - Careers Hub (CEC+DLHUC)	751	665	579	193	0	2,188
	907	1,526	626	193	0	3,252
H - Creative Scale Up (DCMS)	527	488	428	0	0	1,443
I - AMIF (Ashley Housing)	47	65	0	0	0	112
J - Skills Advisory Panel (DfE)	95	0	0	0	0	95
K - IBB (RIF)	1,083	1,000	1,000	0	0	3,083
L - EDF Management	67	67	67	67	67	335
	10,773	6,792	3,441	1,297	67	22,370

- 4 Overall LEP Grant Funding that has been attracted is now circa £22.4m over the Medium-Term Financial Strategy period, (MTFS), as per Figure 2.
- 5 Many of the grants attracted by the LEP are relatively short term in nature. Any staff recruited to support specific grant funded activities are engaged on a fixed term basis linked to the duration and security of the relevant funding stream.
- 6 The majority of spend relates directly to staff administering the specific initiatives and third-party grant payments being made to local businesses and organisations to help build the local economy and skills of the local workforce.

Revenue Forecast Position

- 7 Appendix 2 details the LEP, (including IBB), revenue forecast for the 2022/23 financial year based on actual information as at the end of December 2022 which shows spend of £12.14m against an original budget of £9m. The difference is mainly due to the receipt and phasing of additional government grants in relation to the Net Zero Hub and associated Green Homes grant together with IBB and Career Hub. The net forecasted deficit is £120k which is due to the reduction in the Core Capacity Grant.

Accountable Body Functions

- 8 The Combined Authority act as Accountable Body for the Local Enterprise Partnership, (LEP), activities, which includes significant capital investment in the region.
- 9 The capital funding streams administered by the Accountable Body include:
 - The Revolving Infrastructure Fund (RIF) - £57m
 - The Economic Development Fund (EDF) - £500m
- 10 The RIF was created in 2012 from funding awards from Government through Regional Growth Fund and Growing Places to create a revolving funding programme aimed at providing the upfront funding to enable development. All the grant funding has been awarded out and claimed, and repayment back to the fund has enabled further schemes to be approved. In line with the RIF principles approved at the Joint Committee in October 2021, the Councils have underwritten repayment and its timing. Aside from IBB, all of the projects within the RIF programme are delivered by the constituent authorities. The Combined Authority are the accountable body for the RIF funding, a function transferred from B&NES (the then LEP accountable body) with the creation of the CA.
- 11 The Economic Development Fund (EDF) was created in 2012 as part of the Growth Incentive through the City Deal and is a £500m fund sourced from retained business rates growth in the area's Enterprise Zones and Areas. The overall funding, which will operate over 25 years to 2039, is managed by South Gloucestershire Council but the Combined Authority is the Accountable Body for the EDF. The Fund seeks to deliver the schemes which will unlock growth and generate the business rates uplift that will provide the £500m. The EDF is predicated on the Councils borrowing to fund the schemes with the EDF repaying the capital and interest over the term of the fund.

Consultation

- 12 Consultation has been carried out with the Chief Executives, S151 Officers and the Combined Authority Monitoring Officer.

Other Options Considered

- 13 Value for Money and appropriate use of resources are constantly considered when allocating, monitoring and managing all revenue and capital budgets.

Risk Management/Assessment

- 14 This report forms a core part of the governance and risk management process. The budgets presented in this report take account of known financial risks and their potential impact on the forecast financial position. The West of England Office agreement underpins the LEP; a Memorandum of Understanding between the four West of England UAs underpins the IBB service. These agreements deal with the risk sharing mechanisms between the four West of England councils. For all other WoE budgets administered by the Combined Authority, it acts as "agent" with a straight pass through of funding and related costs.

Public Sector Equality Duties

- 15 The public sector equality duty created under the Equality Act 2010 means that public authorities must have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimization and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.
- 16 The Act explains that having due regard for advancing equality involves:
- Removing or minimising disadvantages suffered by people due to their protected characteristics.
 - Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.
 - Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.
- 17 The general equality duty therefore requires organisations to consider how they could positively contribute to the advancement of equality and good relations. It requires equality considerations to be reflected in the design of policies and the delivery of services, including policies, and for these issues to be kept under review.

Climate Change Implications

- 18 Several of the specific LEP workstreams have a strong focus on improving climate change especially the South West Local Energy Hub, and One Public Estate. Where funds are allocated as grants to local businesses and organisations, the criteria used to prioritise funding allocations will incorporate climate improvement.

Report and advice reviewed and signed off by: *Roger Hoare, Head of Environment*

Finance Implications:

- 19 All financial implications are contained within the body of the report.

Report and advice reviewed and signed off by: *Richard Ennis, Interim Acting Chief Executive & Director of Investment and Corporate Services (Section 73 Officer)*

Legal Implications:

- 20 This report sets out the proposed Budgets for LEP for 2023/24. The budgets have been prepared in accordance with relevant Local Government Financial Regulations, Accounting Standards and relevant Grant Offer Letters. The West of England Combined Authority acts as agent for the transactions of the LEP.

Report and advice reviewed and signed off by: *Stephen Gerrard, Interim Director of Legal*

Human Resources Implications:

- 21 The proposed Budgets include all appropriate staff costs for continuing activities for the LEP.
Report and advice reviewed and signed off by: *Alex Holly, Head of People and Assets*

Appendices:

- Appendix 1 Local Enterprise Partnership Budget 2023/24
Appendix 2 Local Enterprise Partnership Revenue Forecast 2022/23

Background papers:

- (LEP) 2022/23 Revenue Budget Setting Report – Joint Committee January 2022
(LEP) Budget Monitoring Reports to Joint Committee throughout 2022

West of England Combined Authority Contact:

Any person seeking background information relating to this item should seek the assistance of the contact officer for the meeting who is Tim Milgate on 0117 332 1486; or by writing to West of England Combined Authority, 70 Redcliff Street, Redcliffe, Bristol BS1 6AL email: democratic.services@westofengland-ca.gov.uk

Local Enterprise Partnership Revenue Budget 2023/24 (Inc. Invest in Bristol & Bath)

	2022/23 Budget £'000s	2023/24 Budget £'000s	Increase(+)/ Decrease (-) £'000s
Core Staff and related overheads	1,287	1,086	-201
<u>Grant Funded Spend</u>			
Staff	2,908	2,349	-559
Services and Third Party Payments	4,120	3,882	-238
Overheads	650	562	-88
Total Expenditure	8,965	7,879	-1,086
<u>Funded by</u>			
UA Contribution	440	440	0
Other Government Grants	7,681	6,792	-889
RIF Admin Grant	184	112	-72
DLCG Core and Capacity Grant	500	375	-125
Reserves	160	160	0
Total Income	8,965	7,879	-1,086
Deficit	0	0	0

Local Enterprise Partnership (LEP) Forecasted Revenue 2022/23

	2022/23 Budget £000s	2022/23 Forecast £000s	Variance £000s
Core Staff and Related Overheads	1,287	1,249	-38
<u>Project Spend</u>			
Staff	2,908	2,311	-597
Services & Third-Party Payments (a)	4,120	8,058	3,938
Overhead	650	520	-130
Total Expenditure	8,965	12,138	3,173
<u>Income</u>			
UA Contribution	440	440	0
Other Government Grants (b)	7,681	10,773	3,092
RIF Admin Grant	184	150	-34
DCLG Core and Capacity Grant	500	375	-125
Interest	0	3	3
Reserve	160	277	117
Total Income	8,965	12,018	3,053
Deficit	0	120	120

Note:

(a) Increases are a direct result of extended approved government grants and payments.

(b) Extended Approved Government Grants.