

LLEP BOARD OF DIRECTORS

3pm, 13 June 2023

Room G.02, City Hall, Leicester City Council, 115 Charles Street, LE1 1FZ.



AGENDA

TIME		ITEM	REPORT	DECISION /DISCUSSION INFORMATION	LEAD
15.00	1.	Welcome and Apologies			Co-Chairs
	2.	Declarations of Interest			All
15.10	3.	Minutes and actions – LLEP Board Meeting 19 April 2023	Paper A	Decision	Co-Chairs
STRATEGIC AND OPERATIONAL PERFORMANCE					
15.15	4.	CEO LLEP Report to Board	Paper B Appendix 1 Appendix 2 Appendix 3	Presentation	Phoebe Dawson
FINANCIALS					
15.45	5.	Operational Budget 2022-23	Paper C	Information	Colin Sharpe
16:10	6.	LLEP Ltd Company Accounts	Paper D Appendix 1	Decision	Colin Sharpe
AOB					
16:20	7.	Any Other Business			Co-Chairs

Future meetings:

8 August 2023

10 October 2023

12 December 2023

LLEP Board of Directors

11am, Wednesday, 19 April 2023

Face to face: College Court, Leicester

Organiser: Sharif Chowdhury

Co-Chair: Andy Reed OBE (AR), Anil Majithia (AM).

Directors present: Sonia Baigent (SB), Lorraine Boorman (LB), Verity Hancock (VH), Dr Gosia Khrais (GK), Neil McGhee (NM), Cllr Jonathan Morgan (JM), Dr Nik Kotecha OBE (NK), Anne-Marie Hunt (AH), Cllr Terry Richardson (TR), Glynis Wright (GW) Chas Bishop (CB).

In Attendance: Elizabeth Botmeh (EB), Jo Dexter (JD), Colin Sharpe (CS), Sharif Chowdhury (SC), Sue Tilley (ST), Alison Greenhill (AG).

Apologies: Emma Anderson (EA), Peter Bedford (PB), Nishan Canagarajah (NC) Jo Tallack (JT), Rani Mahal (RM), Cllr Danny Myers (DM).

Minutes Taken By: Sharif Chowdhury

CC To: All

MINUTES

<p>1.</p> <p>1.1</p> <p>1.2</p>	<p><u>Welcome and Apologies</u></p> <p>AM welcomed those present to the meeting and provided an overview of the structure of the day.</p> <p>AM noted apologies from EA, PB, NC, JT, RM and DM.</p>	
<p>2.</p> <p>2.1</p>	<p><u>Declarations of Interest</u></p> <p>There were no new declarations of interest.</p>	
<p>3.</p>	<p><u>Minutes and Actions LLEP Board of Directors Meeting held on 14 February 2023</u></p>	

<u>Minute</u>		<u>Action</u>
3.1	The Board agreed to record the minutes of the previous meeting on the 14 th of February 2023 as a true and accurate record.	
3.2	AM commented on the Action Items, 8.7 was discussed regarding sending an email to EB with comments and suggestions for the hybrid grant programme. EB confirmed that no comments had been received. However, she confirmed the Board had until the end of May to make a submission, and that the programme was currently being scoped out and that it would be reviewed by the finance and investment committee, with a deadline yet to be set.	
3.3	AM referred to Action 15.3, regarding the revised governance structure and welcomed any updated views on having a finance and investment committee and an audit and risk committee. AM proposed there is no longer sufficient purpose in forming the new committees given the announcement from government.	
3.4	The Board AGREED with the proposal and to continue with the current Investment Panel for the next twelve months with a re-evaluation of the committee in twelve months' time. The Board agreed for NK to continue as the Investment Panel chair.	
3.5	Members discussed the operating budget deficit, which had been predicted to be £375K for six months. CS had conducted an activity analysis, and a high-level picture was presented.	
3.6	AM shared that a consultant was not progressed, given the internal work and the recent Government announcements on the future of LEPs. CS will provide an update with further details and a plan of assurance with proposals for the board to consider at the June Board meeting.	CS
4.	Team Away Day	
4.1	ST provided an update on the LLEP Team Away Day which had been facilitated by external consultant, Martin Coats. The purpose of the Team Away Day had been to provide the wider LLEP team with the opportunity to come together and to have a voice. To create feedback for the LLEP Board, in advance of the LLEP Board awayday and to demonstrate the breadth of knowledge and experience of the team so the team felt more secure about creating a better future.	
4.2	There were four sessions held through the day; Culture, LLEP Successes, LLEP Weaknesses and New Opportunities. ST presented on the detailed findings, observations and recommendations made	

<u>Minute</u>		<u>Action</u>
	by the LLEP team. Due to sensitive nature of the content and findings of the day, the LLEP Board was asked to refer to the original presentation for more detail.	
4.3	ST highlighted the need for the findings of the day to be evaluated by the board and actions ensuing progressed with urgency. Collaboration with DBT and potential partners for LLEP workstreams and programmes was of paramount importance, as was the need to develop a comprehensive timeline of activity	
4.4	AM thanked ST for organising and sharing the LLEP Team Away day findings as the feedback was especially useful.	
4.5	<p>Board members raised several points and concerns:</p> <ul style="list-style-type: none"> • Emphasis was made on the importance of avoiding losing skills and existing staff members due to the ongoing uncertainties regarding the future of the LLEP. • Addressing the concerns of individual employees affected by any changes. The board acknowledged that employees might be apprehensive and uncertain about their future roles. • Importance of fully understanding the legacy of the LLEP as not all activities would finish in March 2024. • Positive activities already underway. New LLEP Director had been appointed and there was now clarity around the core and growth hub funding that would be available in 2023/24. • AG advised that discussions are planned with districts and county regarding potential transfer and redeployment of staff. 	
4.7	AM reiterated the importance of focusing on the essential priorities, sustaining the organisation financially, and addressing individual concerns in times of change.	
4.8	AM recorded thanks to the LLEP team for their hard work, achievements, and outcomes achieved as LLEP. The constraints were acknowledged, but it was emphasized that the board appreciated the team's efforts.	

<u>Minute</u>		<u>Action</u>
5.	Head of LLEP Report to Board	
5.1	ST presented extracts from the Head of LLEP Report highlighting the key points of focus. The report highlighted the likely withdrawal of government core funding and support for LEP's from April 2024 and notification that LEP functions should be delivered by democratically elected local leaders in the future.	
5.2	The board was also asked to note the requirement for the completion of a LEP Future Funding questionnaire that requires LLEP Board input which must be completed and submitted to Government by 19 th May.	
5.3	<p>ST referred to the following funding allocation notifications that had been received from Government during March:</p> <ul style="list-style-type: none"> • Core funding for 2023/24 of £250,000 (formerly £373,000 2022/23) • Growth Hub Funding 2023/24 of £298,250 (a small increase on 2022/23) 	
5.4	An outline grant description had been received from the Careers and Enterprise Company (CEC) for the academic year 2023-24. ST highlighted that the project would continue to require substantial match funding and is a significant contract that extends beyond April 2024. The future arrangements are being considered nationally considering the likely changes to LEPs and further discussions and consideration will need to be undertaken by the board.	
5.5	Growth Hub: ST welcomed the confirmation of Government funding to April 2024 for the Growth Hub, as in June 2023 ERDF funding ceases. The provision for business support by district councils utilising UKSPF is limited and likely to be fragmented. It is the intention that the refreshed Growth Hub offer (to manage the ending of ERDF) will be a triage service providing a one stop shop for business. There will be a dedicated refreshed website, with support finder service platform, webinars, and workshop programmes in conjunction with private sector partners, regional innovation projects and provision of business intelligence reporting and skills support.	
5.6	ST highlighted two high profile Growth Hub events that had taken place recently including the highly successful Leicestershire Innovation Festival 2023, which saw the biggest attendance in its 5-year history and significant media interest. As part of the festival a significant meeting at Space Park Leicester had taken place between Innovate UK CEO Indro Mukerjee and the LLEP Innovation Board led by Dr Nik Kotecha. The Survive and Thrive in business expo hosted	

<u>Minute</u>		<u>Action</u>
5.7	<p>by LLEP directors Sonia Baigent and Glynis Wright had attendance approaching 200 delegates and collaboration with a range of private and public partners offering SME's a wide range of business tools.</p> <p>The Growth Hub team continue to look to new ways of enhancing the offer for businesses in collaboration with private sector partners. The latest being the free access to Santander Navigator, a digital portal for all exporting businesses from start up to seasoned exporters.</p>	
5.8	<p>The board members agreed to explore how enterprise opportunities could dovetail with the export vision and to diversify ways of delivering the Growth Hub service by engaging more with the private sector.</p>	ALL
5.9	<p>The board were asked to note that the Careers Hub had hosted a highly successful round table event with Robert Halfon, the Minister for Skills, Apprenticeships and Higher Education, chaired by Baroness Nicky Morgan (Chair of the CEC). The Minister had publicly commended the work of the LLEP Hub at the Education Select Committee in Westminster.</p>	
6.	County Deal/Government plans for LEPs	
6.1	<p>AR commented on County Deals advising there were no significant updates to report. AR informed the Board that he met with colleagues at County and some of the districts and discussions are ongoing.</p>	
6.2	<p>The amount of work required to achieve a County deal is significant, and even if the LLEP were to cease to function in its legal capacity on April 1st, 2024, there would still be outstanding work to be completed with external partners.</p>	
6.3	<p>The board expressed a commitment to creating the best possible outcome for both staff and the people who would benefit from their work, with a long-term focus on continuity and devolution. However, given the time constraints, they needed to make fast decisions and ensure high-level communication.</p>	
6.4	<p>TR shared that district councils are presently focussed on local elections, and responses would be formulated to the devolution proposal soon after. The board acknowledged the complexity of the matter and the need for a rational response.</p>	

<u>Minute</u>		<u>Action</u>
6.5	JM questioned how best the LLEP should fashion a response as the Leicester and Leicestershire locality does not fit the government devolution model.	
6.6	The board also discussed the point at which a decision on extending fixed term and temporary contracts beyond 30 September 2023 should be taken. AG advised that a proposal should be brought to the next meeting.	
7.	Future funding questionnaire	
7.1	ST presented the draft response to the Future Funding Questionnaire to the board members and requested that they take time to review it. The response had been largely completed.	
7.2	The board was asked to consider and provide response regarding Section 3: <ul style="list-style-type: none"> • <i>point 9 If you do not continue to receive core funding would you be likely to a. continue operating b. transfer functions where appropriate and cease operations and</i> • <i>point 10 If you would be likely to continue operations what functions would you cease to deliver in the absence of core funding.</i> 	AR/AM/ ALL
7.3	AM said that he would liaise with ST and CS to finalise the response for board members to review and sign off for submission by May 19th, informed by discussions to be held at the LLEP Board Away Day.	AM/ST/CS
8.	Operating Budget update	
8.1	CS reported on the budget update paper E which was presented at the meeting highlighting a forecasted final surplus of £1m for 2022/2023. This is due mainly to interest income from the Gresham GPF loan and increased income on LLEP funds as the base rate has increased. The LLEP reserve would be around £2.8m at the end of March 2023.	
8.2	CS shared information on the 2023/24 forecast, with a full year deficit at £0.5m which provides a framework going forward to identify further areas to review activity and costs.	
8.3	CS specified that two key areas of activity, the Careers Hub, and the Growth Hub, will require detailed discussion by the LLEP Board.	

<u>Minute</u>		<u>Action</u>
8.4	CS reminded the Board that the Careers Hub was part funded by the Careers and Enterprise company and that significant match from the LLEP was required for the present operating model.	
8.5	AG responded that the LLEP would need to consider what as a company it can legally do to finance projects beyond March 2024; and that should the Board be minded to sign a new CEC offer letter, the AB could have to seek legal opinion, as the LLEP would be committing finances beyond the current financial year.	
8.6	EB explained the complexity of the CEC funding, in that the roles were capped at an amount that was not commensurate with the actual pay costs and that a considerable amount of match funding was required.	
8.7	CS reported that an offer letter has been received for the Growth Hub and that the funding for 2023/24 has increased by £30k to £298k. There is an expectation that the Growth Hub would break-even with this year's funding. The Board should be mindful with regards to any future offer, as associated funding is developed over coming months.	
8.8	AG informed the Board that discussions will need to be held with the districts and county to understand the needs of the area and where there are overlaps with existing LLEP delivery to understand the preferred structure going forward.	
8.9	CS commented that the Core functions would need to be reviewed in line with the announcement that Government is minded to withdraw funding from April 2024.	
8.10	CS reported that going forward a 2.5% management fee would be applied to programmes, to reflect the support given from core staff.	
8.11	CS commented that staff contracts had been extended until September 2023, and that this is understandably now adding to the uncertainty amongst the team. He proposed that he and/or the incoming director/CEO would bring a further paper to the June Board to review staff arrangements in addition to an updated budget/forecast.	
8.12	The Board discussed different arrangements including whether finances from the reserves can be ring-fenced and committed beyond March 2024.	
8.13	NK suggested that the LLEP should explore opportunities to make their money work better, for example the interest being paid by the	

<u>Minute</u>		<u>Action</u>
8.14	AB is below the current market rates. and there could be further revenue generating opportunities.	
	NK referred to the Innovation Board and what appetite there may be for further sponsorship to bring in additional funds where possible.	
	AR discussed the configuration of the current budget and the level of match funding required. AR asked JD how other areas are addressing the issue of match funding.	
	JD commented that the LLEP Board should consider the LLEP's function going forward in conjunction with the different eventualities as to how a potential combined authority may be structured.	
9.	GPF outstanding debt update	
9.1	CS presented a report on outstanding debt to the Growing Places Fund.	
9.2	Firstly, the history of the £750k loan to Norton Motorcycles to expand manufacturing facilities at Castle Donington, which went into liquidation.	
9.3	CS shared that Council/LLEP has received £225,000 from the liquidation of Donington Hall Estates. The Council has also claimed against Norton Motorcycles Ltd (in liquidation) and Stuart Garner's trustees in bankruptcy.	
9.4	The board discussed the complicated nature of the debt recovery process due in part to the involvement of pension funds and trustees.	
9.5	The board then discussed Haywood Estates, which has offered a payment of £11k on the outstanding balance of £48k. The outstanding balance is in relation to interest on the GPF loan. The site is nearing completion, and CS is seeking further information before presenting a proposal to the AB statutory officers and the LLEP Board.	
9.6	The board noted that despite all the GPF loan investments made over the years, these are the only been two projects who have not repaid the loan and interest in full. The Board recognised that there has been significant investment and job creation opportunities by Haywood Estates in the Old Dalby site.	

<u>Minute</u>		<u>Action</u>
10.	Any other business	
10.1	There was no other business.	

DRAFT



LLEP CEO Report to Board

1. Purpose of Report

To provide the LLEP Board with an update on strategic activity related to LLEP contracts and delivery.

For decision: (2.3) LLEP Board to ratify its decision to cease the LLEP and the Board in their present form by 31 March 2024 and approve the establishment of a transition group chaired by the CEO.

For decision: (2.4) The Board is asked to approve the Accountable body to sign the CEC Contract for 23/24 academic year delivery.

For decision: (3.2) The Board is formally asked to approve contract extensions for LLEP staff on fixed term and temporary contracts to 31 March 2024.

For decision: (3.3) The Board is asked to formally approve an indicative operating deficit of £625k in 2023/24.

2. Executive Summary

2.1 Phoebe Dawson joined LLEP as Director/CEO 1 May 2023

The first month in post has seen a focus on setting up appointments and meeting key partners and stakeholders, undertaking one-to-one meetings with all staff members, and familiarising self with the delivery of LLEP.

2.2 LLEP Board away day Following the Government's letter setting out its intention that LEP functions should be delivered by democratically elected local leaders in future; the LLEP board met for an away day. During this session it was agreed that the LLEP and the board would cease to exist or operate in its present form by 31 March 2024 and some or all functions would transfer by that date (or shortly after) in line with a plan developed with core stakeholders.

It is good governance that this decision is formally ratified at a board meeting. This will then allow the team to formally notify LEP members and partners/stakeholders.

2.3 Likely withdrawal of Government support for LEPs from April 2024: Government prepared a questionnaire which focused on the implications of ending the core funding from the Government and how LEP activities might change, cease or be transferred. LLEP responded to Government's Future Funding Questionnaire (see appendix 1). All responses are being reviewed by Integration Policy Team in DLUHC who are working through them and once complete, officials will be preparing to engage with Whitehall on

the necessary clearance process. Government are hoping to issue a response to LEPs before summer recess.

With a proposed timeline of end March 2024 in place, it is important that necessary work on the transition of all or some of the LEP operation is not delayed and we do not wait for further government communication to create a transition plan. It is important that the LLEP board is reflected in any future discussions with stakeholders and therefore proposed that a transition sub-group (chaired by LLEP CEO) is created to lead this work.

Decision: The Board are asked to formally ratify their decision to cease the LLEP and the Board in their present form by 31 March 2024 and approve the establishment of a transition group chaired by the CEO.

2.4 Careers and Enterprise Company (CEC) Careers Hub contract: The CEC Careers Hub is a highly regarded programme of careers related activity delivered in 91 schools and FE Colleges (including special school provision). This activity receives annual funding from CEC which is matched by LLEP funding. A grant offer letter has been received from the Careers and Enterprise Company, for the academic year 2023/24 starting in September (appendix 2). As the contract follows an academic year, it extends beyond April 2024. Any reduction in match funding from LLEP would mean a similar reduction in funding amount from CEC. This would have immediate detrimental impact on resource levels and delivery.

This work is receiving increased positive interest at a national level and consequently arrangements are being considered on a national basis with local conversations also underway. LLEP CEO is reviewing the delivery of this contract as part of a wider LLEP activity review with an aim to get the local match contribution to a more sustainable level. LLEP have consulted with partners on the contract extension and senior officers from county, city and district councils support the proposal to LLEP board to agree for the Accountable Body to sign the contract and deliver the CEC programme until 31 August 2024. This would in effect pre-commit LLEP reserves to support the costs through to 31 August 2024.

Decision: The Board is asked to approve the Accountable body to sign the CEC Contract for 23/24 academic year delivery.

3. LLEP Delivery

3.1 LLEP Team

The LLEP team continue to maintain a 'business as usual' approach despite the uncertainty of funding and diminishing team resource.

LLEP team morale was impacted by the ongoing uncertainty around funding and the future of the LLEP, Careers Hub and Growth Hub and an away day was organised to help address this. The findings from the away day were presented to the LLEP board in April and the new CEO in May.

The core concerns which were raised in the away day feedback were based around a perceived lack of clarity around role (as a team and individually, now and in future), poor communication, and lack of recognition. Having met with each of the team individually, most display some, if not all, of these

frustrations. However, over the last month as the team have been partaking in 1-2-1s, there has been a renewed optimism across the team, as they reflect on their accomplishments and the future opportunities.

3.2 LLEP 23/24 delivery

The team remain incredibly busy, output is high but there is a lot of activity to understand and unpack. It is reassuring to see a rise in staff morale levels and all of the team have demonstrated their commitment in supporting the CEO to understand their role, the service or activity they are delivering, how it is funded, the outputs and more importantly the outcomes of the project, and how this can be measured.

Alongside this 'helicopter view' CEO review, the CEO is also leading a top-down review (via managers) of each individual employee's objectives, ensuring that they are aligned to the over-arching objectives of the LLEP as well as include measures to monitor and drive performance.

This review of funding, activity and the objectives for the team will help shape a delivery plan which will take the organisation through to the next financial year, this plan will be presented at the August LLEP board and include the findings of the CEO review.

Delivery against the plan will be monitored and reported on a monthly basis and this plan will inform future CEO reports to the Board and include updates on any risks.

With the increase in work as we approach the transition, and the CEO review only just beginning, it is clear that there is going to be a requirement for greater flexibility across the organisation, and resources may well need to be repurposed as work increases the closer we get to the proposed end date. Therefore, it is proposed that staff contracts are extended from their current end date of 30 September 2023 to a new end date of 31 March 2024. This does not of itself preclude activity changing and transferring ahead of 31 March 2024 as part of the transition process.

Decision: The Board is formally asked to approve contract extensions for LLEP staff on fixed term and temporary contracts to 31 March 2024.

3.3 Budget 2023/24 approval

The Board at its April meeting was informed that the operating deficit for the current year, based on 'business as usual' was forecast as being circa £500k. Since the meeting, the Government has confirmed that its core funding does not require local match. The councils have agreed not to continue to provide match, in the light of LLEP reserves and the forthcoming transitions process, which increases the headline deficit to £625k. As noted above, the CEO is developing a delivery plan, which may present opportunities for cost reductions and additional income. However, as the LLEP should have an agreed budget, the Board is asked to approve the financial forecasts as previously presented, with the addition for the absence of core funding match (appendix 3).

As set out in the 2022/23 outturn report elsewhere on the agenda, the useable reserve at 31 March 2023 was £2.8m. Allowing for the operating deficit and continuing the careers hub match funding to August 2024, the remaining reserve would be in the region of £2m.

Decision: The Board is asked to formally approve an indicative operating deficit of £625k in 2023/24.

Paper B - Appendix 1

Local Enterprise Partnerships - Future Funding Questionnaire

Background

On 15 March 2023, the Chancellor announced that Government is minded to end Local Enterprise Partnership (LEP) core funding. This forms part of our wider work on delivering devolution across England, and we will work with local areas to determine how the functions currently undertaken by LEPs are best delivered at a local level in future, where appropriate and where they are not already delivered by a Combined Authority.

Over the next four weeks officials at the Department for Levelling Up, Housing and Communities and the Department for Business and Trade will be carrying out an information gathering exercise to better understand the impacts that this proposal would have if taken forward, and before a decision is confirmed. The questionnaire closes 19 May.

Aim

The aim of this exercise is to fully understand the implications of an end to Government core funding if this were to happen. Core funding is typically used to pay for staff salaries, buildings, marketing, communications, and consultancy.

We have a particular interest in how activities currently carried out by LEPs might change, cease, or be transferred – depending on local plans – in the event of defunding, as well as the potential impact on:

- Economic growth in local areas.
- Decision-making in local authorities, particularly the input of business organisations.
- LEP staff and customers, including those with protected characteristics.
- Legacy projects (i.e. projects that have been funded in previous years through Government or private sector programmes).
- Ongoing separately-funded functions such as Growth Hubs and Careers Hubs.

And an interest in whether the impact would differ between areas with devolution deals and those without, and whether LEPs would continue or cease operations without this funding.

Structure

This questionnaire is split into six sections. The sections marked with an asterisk are mandatory. Respondents should only complete relevant sections.

- Section 1: Core Information.*
- Section 2: Nature of your relationship with Local Enterprise Partnerships.*
- Section 3: Questions for Local Enterprise Partnerships.
- Section 4: Questions for Mayoral Combined Authorities (MCAs), the Greater London Authority, and areas that have agreed devolution deals.
- Section 5: Questions for Local Authorities.

- Section 6: Public Sector Equality Duty Assessment.*

Data Security

Except where questions are mandatory, you are not required to respond to all of the questions in the section relevant to you, but the information you provide will be used to inform the final decision. Please highlight if any information shared is commercially sensitive. It will not be shared outside of HM Government.

Please direct any questions to lepinformation2023@levellingup.gov.uk.

Core Information

1. What is your name? *

Phoebe Dawson

2. Please provide your email address. *

phoebe.dawson@lep.org.uk

3. What is the name of your organisation? *

Leicester and Leicestershire Enterprise Partnership

4. What type of organisation is it? *

- Local Enterprise Partnership
- Local Authority
- Mayoral Combined Authority, the Greater London Authority, or a local authority area that has agreed a devolution deal.
- Other

5. Which area(s) of England does your organisation operate in? Please tick all that apply. *

North East

North West

Yorkshire and Humber

East Midlands

Oxford-Cambridge Arc and East Anglia

West Midlands

Greater London

South East

South West

Nature of your interaction with Local Enterprise Partnerships (LEPs)

If you represent a LEP, please enter n/a and move to Section 3 where this information is captured in more detail.

6. How do you currently work with your local LEP? What are the key activities for your organisation that the LEP currently delivers? Please give details. *

n/a

7. Without core funding, it is possible that LEPs will reduce or cease their operations. What impact would that have on the following:

- a) Your own operations
- b) Your stakeholders
- c) Your customers

- d) Your future plans
- e) Any programmes or activities carried out in partnership or via the LEP.

n/a

8. What (if any) impact would you envisage transferring responsibility of LEP functions to local authorities, where they are not already being delivered by a Combined Authority, having? *

n/a

Questions for Local Enterprise Partnerships (LEPs)

Please only respond to this section if you represent a Local Enterprise Partnership.

We recognise that for some LEPs in prospective devolution deal areas, some of your answers may depend on what happens with devolution in your area. Where this is the case, please flag any uncertainties in your answers if appropriate.

9. If you do not continue to receive core funding, would you be likely to (a) continue operating or (b) transfer functions where appropriate and cease operations?

- continue operating
- transfer functions where appropriate and cease operations

10. If you would be likely to continue operations, what functions would you cease to deliver in the absence of core funding?

In the light of the Government's announcements, the LEP Board has agreed that the LEP will cease to exist or operate in its present form by the end of March 2024. So, some or all functions would cease and/or transfer by that date (or shortly after) in line with a plan developed with stakeholders; and a new form of LEP might continue on a restricted basis.

The Board and stakeholders have not yet developed a firm view; however, the function of running the LEP as an entity would clearly need to reduce significantly, impacting all functions including the Growth Hub. Any 'unfunded' activity such as zero carbon, innovation, economic intelligence/strategy development and skills development could be at risk. Also, the local subsidy to

11. If you would be likely to cease operations, please specify any significant liabilities such as ongoing MoUs and contracts with government, local authorities, or private businesses, including any subsidiaries owned by the LEP.

Please also specify any plans for joint ventures and special purpose vehicles with local and national partners, and any plans for handling public money (e.g., retained business rates).

Create Growth with DCMS
 Careers Hub with Careers and Enterprise Company
 Digital Skills Partnership with De Montfort University
 Made Smarter programme with Lincolnshire County Council
 Enterprise Zone grant agreements with local authorities and operators
 Enterprise Zone forward funding agreements with local authorities and operators

12. How many people (FTE) do you have working for you and what functions do they deliver?
1. Directly employed
 2. Under contract to provide services (contractors)
 3. Temporary staff
 4. Secondees

1. 25.8 FTE
2. 3 FTE
3. 1 HT
4. 0

They deliver the Growth Hub, Careers Hub, Made Smarter, Create Growth, skills, economic intelligence, Innovation board and programmes, business partnerships and engagement, Enterprise Zones, Net Zero, programme monitoring and evaluation (current and former programmes). Also, the 'organisational costs' of LEP team leadership, governance, finance,

13. How many staff (FTE) are funded solely or partially by core funding?

11 (note these staff are funded by the Government core funding, local match and

14. If core funding were to end in April 2024, would you expect to have to make any staff redundant? How many (FTE)? What are your estimated redundancy costs?

Yes, depending upon what happens to the LEP as an entity, its functions (whether

15. If required, how would you propose to handle resourcing questions such as return of secondees to parent bodies, TUPE of staff, etc.?

All LEP staff are formally employed by the Accountable Body. Should any activities move to other organisations, TUPE would apply. Staff would also be subject to the AB's redeployment, organisational review and redundancy procedures. The AB would work with the LEP area councils to secure

16. What proportion of your overall income in 2022/23 is core funding?

10% (note – this is just the Government core funding)

17. What private sector income in 2022-23 do you receive, e.g., funding for Careers Hubs, match funding from local partners?

Circa £70,000 is received from external partners towards the Careers Hub, innovat

18. Which local authority acts as your accountable body?

Leicester City Council

19. Do you have financial reserves? How much? What would be the actual and planned use of these?

Reserves at March 2023 were circa £2.8m. These will be used to meet an operating deficit in 2023/24 as funding reduces and costs increase, any redundancy and capitalised pension costs, any future pay protection costs for transferred staff, any clawback on programmes, and costs of future programme monitoring and evaluation. Should there be any remaining

20. What contractual agreements (commercial, employment, etc.) do you have beyond April 2024 and what costs are associated with these? What is the duration of these contractual agreements?

The LEP is party to agreements for Enterprise Zones including Business Rates Retention, with end dates vary between 2038 and 2042 and reviews at various points; Enterprise Zone project grant funding agreements; local Business Rates Pooling grant agreements where draw down is on-going; and the DCMS Create Growth programme until March 2025. LEP staff have contracts of employment on a rolling and fixed term basis. The CEC careers hub contract if renewed in September 2023 would run to August 2024.

21. Do you have any Local Growth Fund (LGF), Getting Building Fund (GBF), or Growing Places Fund (GPF) money remaining to spend? If so, how much do you expect to have unspent by fund (£m) by April 2024? If you plan to cease operations should core funding end in 24/25, how do you propose to deal with any unspent funding?

No Local Growth Fund or Getting Building Fund is remaining. Whilst there is £10 million remaining of Growing Places Fund, this is in part currently used to underwrite the borrowings / forward funding on the Enterprise Zones; and the original Government grant conditions have of course been met.

22. Has the LEP been a Grant Recipient for European Regional Development Fund (ERDF)? If so, what arrangements would need to be made to retain the project audit trail in an accessible format until December 2033 in line with the contractual agreement?

The LEP has received both ERDF and ESF for technical assistance, in addition to receiving ERDF under PA3. All three programmes have since closed. All paperwork in relation to these programmes has been archived with our Accountable Body

23. What implications would there be if hosting arrangements for Careers Hubs sat outside of LEPs? e.g., with Local Authorities.

The principal implication is likely to be the source of the match funding, the current model is too cost prohibitive for another organisation to take on the service as currently configured. Other implications could be interaction with local connexions services, fragmentation if not one single successor, TUPE of

24. Do you currently oversee the operations of an Enterprise Zone?

The following four questions relate to the operations of Enterprise Zones. If you do not currently oversee the operations of an Enterprise Zone, please skip ahead to question 29.

Yes

25. If yes, what local agreements (i.e., MoUs/contracts) are in place to determine how the growth in retained business rates generated by an Enterprise Zone site are distributed?

Business rates agreements with the three billing authorities specify the proportion

26. Are there any other MoUs or contracts pertaining to the management of the Enterprise Zone that we should be aware of (including where borrowing has taken place against the future receipt of retained rates)?

Currently two formal contracts exist where billing authorities have "lent" money to the LEP for investment (using the Accountable Body), with the return derived by making deductions before handing over the LEP's 85% share of the rates growth. Two more agreements have been approved and documents are being prepared. There are also grant agreements in place with EZ operators.

27. What are your receipts/income from property/land, including 'evergreen' investments?

n/a

28. Do you have any liabilities that are being funded using Enterprise Zone income to borrow money, for example, to fund infrastructure development over several years? If so, can you please provide details?

There will be four agreements very shortly (see 26 above). Each is for site development or nearby related infrastructure (e.g. public road alterations). Each has been funded by the relevant billing authority, which plans to see its investment returned by making deductions from the LEP's 85% share of rates

29. What major assets do you own or have a financial or contractual interest in (e.g., land, buildings, data and knowledge assets, etc.)?

Data and knowledge systems and databases

30. What local agreements are in place to determine how assets are managed and appropriately transferred or disposed of?

The LEP currently has no physical assets. The data and knowledge systems and databases would likely be retained by the AB.

31. Are there any other impacts in the event of LEPs no longer receiving core funding, or the transfer of LEP functions, that you would like to make us aware of?

As funding reduces and functions transfer, the remaining functions may become less viable. Staff may well 'vote with their feet', making it difficult to continue some functions and/or to hand them on to a successor organisation in a functioning manner. The LEP bring expertise, capacity and capability, it's the 'glue' between the partners to make local economic development happen to a standard which can be evaluated and measured in terms of impact, deliverability and responsiveness.

Successor organisations are unlikely to provide match funding in the way that LEPs have been able to provide and generate. Some activities are likely to become fragmented or cease entirely.

Questions for MCAs, the Greater London Authority, and areas with agreed devolution deals.

Please only complete this section if you represent a Mayoral Combined Authority, the Greater London Authority, or an area that has agreed a devolution deal.

32. Were the cessation of Local Enterprise Partnership (LEP) core funding from 2024/25 to apply to MCAs, the GLA, and Devolution Deal areas, how would this affect your plans for integration?

Enter your answer

33. How would the cessation of LEP core funding affect your subsequent delivery of remaining functions (e.g., Careers Hubs, Growth Hubs)?

Enter your answer

34. How would it affect your provision of a business voice to influence key economic decisions?

Enter your answer

35. Do you currently oversee the operations of an Enterprise Zone?
The following two questions relate to the operations of Enterprise Zones. If you do not currently oversee the operations of an Enterprise Zone, please skip ahead to question 38.

Enter your answer

36. If yes, what local arrangements (i.e., MoUs/contracts) are in place to determine how the growth in retained business rates, generated by an Enterprise Zone site are distributed?

Enter your answer

37. Are there any other MoUs or contracts pertaining to the management of the Enterprise Zone that we should be aware of (including where borrowing has taken place against the future receipt of retained rates)?

Enter your answer

38. What local agreements are in place to determine how any LEP-owned assets are managed and appropriately disposed of?

Enter your answer

39. What have been your key lessons learned from the integration process to date, which would be helpful for others to consider if transferring functions?

Enter your answer

Questions for Local Authorities

Please only respond to this section if you represent a Local Authority.

40. Are you an accountable body for a Local Enterprise Partnership (LEP)? If so, which?

Enter your answer

41. How would you plan to incorporate the voice of private sector leaders in support and growth of local economies and highlighting economic opportunities? Would you be minded to continue a relationship with the LEP (if they continued) or put in place a new arrangement?

Enter your answer

42. Would your authority be able to take on the remaining LEP functions (separately funded Careers Hub, separately funded Growth Hub, ongoing monitoring of the Local Growth Fund, Getting Building Fund, ERDF etc.)? If your

whole county geography or functional economic area covers more than one upper tier local authority, would you be able to do it on behalf of other local authorities? What governance would you need e.g., joint committee?

Enter your answer

43. Were your LEP seeking to continue as a separate organisation what would be the implications of this for your area?

Enter your answer

44. Were your local LEP to cease operations, what successor arrangements would you need to consider putting in place in supporting HMG activity in driving co-investment in site development, business growth, and innovation, as well as providing a local focus in responding to economic shocks?

Enter your answer

45. How would you ensure that co-operation is maintained in adjoining and economically linked local authority areas?

Enter your answer

46. Do you agree that, where a devolution deal is not agreed or in negotiation, the Growth and Careers Hub geographies should be based on a sensible geography as defined by the Levelling Up White Paper i.e. over a sensible

functional economic area and/or a whole county geography, even if this involves more than one upper tier local authority working together?

Enter your answer

47. Do you currently oversee the operations of an Enterprise Zone?

The following two questions relate to the operations of Enterprise Zones. If you do not currently oversee the operations of an Enterprise Zone, please skip ahead to question 50.

Enter your answer

48. If yes, what local arrangements (i.e., MoUs/contracts) are in place to determine how the growth in retained business rates, generated by an Enterprise site are distributed?

Enter your answer

49. Are there any other MoUs or contracts pertaining to the management of the Enterprise Zone that we should be aware of (including where borrowing has taken place against the future receipt of retained rates)? How would you propose to handle retained rates in the event of the LEP ceasing operations?

Enter your answer

50. In the event of a LEP ceasing its operations, what are your plans for any LA staff who are currently based in the LEP or any of its subsidiaries?

Enter your answer

51. In the event of a LEP ceasing its operations, will this have any impact on plans for any joint ventures with the LEP?

Enter your answer

52. Should your local LEP choose to continue as a separate organisation, would you have any plans to fund it?

Enter your answer

53. Are there any other impacts in the event of LEPs no longer receiving core funding that you would like to make us aware of?

Enter your answer

Public Sector Equality Duty Assessment

The following questions have been drafted to review how this potential policy decision meets the Government's legal duty under the Equalities Act 2010 to:

1. Eliminate unlawful discrimination, harassment, victimisation, and any other conduct prohibited by the Act.
2. Advance equality of opportunity between people who share a particular protected characteristic and people who do not share it.
3. Foster good relations between people who share a particular protected characteristic and people who do not share it.

The Duty covers the protected characteristics of **age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.**

54. If LEP core funding were to end in 2024/25, what impact might this have on the three elements of the public sector equality duty (numbered points *

above)?

The ending of LEPs and transfer/cessation/variation of functions would have several potential impacts; including, upon individual staff, the loss of a diverse Board, the loss or reduction of targeted activity and support such as for women in leadership and BME businesses.

55. If LEP core funding were to end in 2024/25, how could the impacts on the three elements of the public sector equality duty (numbered points above) be mitigated for those with protected characteristics? *

For staff, robust employment change procedures; for the Board, a review of business representation locally; for support to different sectors, a review of what provision remains or should be protected and how this should be provided or facilitated

56. Are there any programmes or initiatives that you think are noteworthy in terms of servicing users (both beneficiaries of programmes and activities and LEP employees) with protected characteristics (in **bold** above)? How would these be impacted by the end of core funding? *

The Growth Hub and the Careers Hub support people with a wide range of characteristics; and potentially are more valuable to people with protected characteristics.

This content is created by the owner of the form. The data you submit will be sent to the form owner. Microsoft is not responsible for the privacy or security practices of its customers, including those of this form owner. Never give out your password.

Powered by Microsoft Forms | [Privacy and cookies](#) | [Terms of use](#)

Paper B - Appendix 2

Leicester and Leicestershire Local Enterprise Partnership
23 Halford Street
Leicester
LE1 1JA

Attention: Ms. Sue Tilley and Mr. Kevin Harris

24th April, 2023

Grant Offer Letter 2023-24

Dear Sue and Kevin,

I am pleased to send you a Grant Offer Letter for 2023-24. As we progress to 95% coverage of Careers Hubs (Hubs) in 2023-24, we will reach those institutions that have not previously engaged with the Hub Network, to ensure that young people in every institution benefit from the improved performance delivered by Hubs.

1. Key priorities for 2023-24 to ensure Hubs achieve maximum impact:

Priority 1: Improve careers provision in schools and colleges against the Gatsby Benchmarks through support, training for the education workforce and quality assurance

Priority 2: Provide more high-quality experiences with employers for students and teachers – with a focus on current ‘cold spots’

Priority 3: Amplify apprenticeships, technical and vocational routes – including supporting the implementation of the Provider Access Legislation (PAL)

Priority 4: Target interventions for economically disadvantaged young people (Free School Meals (FSM)) and those who face barriers

Priority 5: Connect careers provision in schools and colleges to the needs of local economies (as articulated through Local Skills Improvement Plans (LSIPs))

Hubs will support targeted interventions to address these priorities. Facilitating lasting, powerful connections between employers and schools in their geographical area will be a thread that runs through the work of Hubs.

The funding available through The Careers & Enterprise Company will maximise effectiveness, impact and long-term sustainability. Hubs are expected to increase the speed and scale of Benchmark achievement within their area and to improve the destinations that young people achieve. We recognise the maturity of the Hub Network as we go into 2023-24 and have adapted the model to provide greater flexibility in how you achieve outcomes while continuing to use a consistent funding methodology.

2. Staff Funding

2.1 Funding methodology:

Realising economies of scale and balancing the increased scale of hubs within the constraints of an overall budget require a movement in staff funding which will demonstrate improved value for money in line with the improved provision facilitated by Hubs.

- The funding methodology is based on:
 - A ratio of 1 EC to 20 institutions in 2023-24, moving to a ratio of 1:25 from September 2024
 - Ongoing efficiencies in the future are likely until caseloads of 30 are reached by September 2025. Recruitment decisions should therefore be made with this trajectory in mind.
- As Hubs deepen their focus on bridging the gap between education and employers, employer engagement skills will need to become mainstream across the whole Hub team and we will therefore no longer fund a separate workforce of Employer Engagement ECs (EE ECs). It will become increasingly important for all ECs to develop and nurture employer contacts to support educational institutions to maximise experiences of the world of work.

2.2 Operational deployment:

Local needs can be reflected in how you wish to allocate your EC budget and your staffing decisions. There is flexibility for you to:

- Employ additional roles above the number of ECs in the Grant Offer Letter within the maximum funding available
- Employ fewer ECs provided caseloads of 30 aren't exceeded
- Award EC salaries within a broader salary range provided guidance on caseload sizes is adhered to and maximum funding isn't exceeded (please refer to salary guidelines in the Terms and Conditions which will be sent out with the Grant Offer Letter)
- Vary your caseload sizes up to 30 to enable a dedicated EC with an employer engagement focus, to operate in the team without a caseload (whilst still taking into account the importance of all ECs playing a key role in employer engagement)

2.3 Maximum Funding Available by Role

The match funding model will continue with an increase in funding of at least 3%. There is a further uplift in funding where analysis from Grant Claims has demonstrated that Partners are facing additional costs.

Role	Maximum Salary (including on-costs, travel, admin and other overheads)	Source of Funding	Caseload size (number of establishments supported)
------	--	-------------------	--

Strategic Hub Lead (maximum of 1 per Hub)	£72,000	Fully funded by CEC	N/A
1 Strategic Hub Lead for all existing Hubs with at least 40 schools and colleges			
Operational Hub Lead	£64,890	Fully funded by CEC	5
1 Operational Hub Lead can be fully funded to join a Hub in addition to the Strategic Hub Lead where there are 75+ whole establishments. (Sites are not included in this calculation.) An additional Operational Hub Lead can be fully funded with each increment of 75 schools			
Senior Enterprise Coordinator (SEC)	£32,445	Match funded 50%/50%	20
No new SECs will be funded due to continued expansion of Hub management roles. Existing SECs in the EAN Register (EANR) supported by funding from Grant Offers in 2022-23 will continue to be funded but should not be replaced should they leave the role. Caseload expectations for SECs have increased to 20 in our funding model.			
Enterprise Coordinator (EC)	£27,089	Match funded 50%/50%	20
Funding for ECs is based on caseloads of 20 for 2023-24, with college sites recorded on EANR as at Feb 2023 included in this calculation. The funding calculation for 24-25 will be based on caseloads of 25.			
Project Officer (optional)	£17,200	Please provide a business case for funding where fewer than 4 ECs	N/A

2.4 Funding Available for your organisation - September 2023 – August 2024

We are pleased to confirm your staff funding for the academic year September 2023 – August 2024. There will be no gap between the funding available this academic year and next.

- **Maximum Staff Funding Available: £258,790.50**
- **To support the following staff:** 1 Strategic Hub Lead, 1 Operational Hub Lead and 4.5 ECs
- **Coverage up to at least: 91 schools and colleges in your Careers Hub** from 31st October 2023, including an additional 1 college site that you have been working with since February 2023.

In detail, this breaks down as follows for your organisation:

Role	Maximum Funding Available provided by The Careers & Enterprise Company	Maximum Match funding provided by your Organisation	Maximum Number of FTE Staff Funded in this Role for your Organisation
Strategic Hub Lead (SHL)	£72,000	N/A	1
Operational Hub Lead (OHL)	£64,890	N/A	1
Enterprise Coordinator	£121,900.50	£121,900.50	4.5
TOTAL	£258,790.50	£121,900.50	6.5

3. Hub Delivery Fund

This funding will enable all Hubs to improve careers provision in schools and colleges and deliver upon the following strategic priorities:

- Provide more high-quality experiences of the world of work for students (c30% of funds)
- Amplify apprenticeships, technical and vocational routes (c30% of funds)
- Target interventions for economically disadvantaged young people (Free School Meals (FSM)) and those who face barriers (c30% of funds)

Funding is also provided for:

- Local Priorities – this may include for example, general Benchmark improvement (c10% of funds)

The purpose of these funds is to deliver what we know works, strengthening the evidence base for specific types of interventions and activities. Our guidelines are that approximately 30% of your Hub Delivery Fund should be allocated to each of these 3 priorities, with a further 10% of the Fund available for other local priorities. We require an outline of your spending plans at the Grant Acceptance Letter stage, and a detailed plan with the Strategic Hub Plan at the start of September. Should your distribution of Hub Delivery Fund vary significantly from guidelines, please provide a rationale for your allocation of spend.

Frameworks for the first three of the priority areas above will be provided.

3.1 Methodology for calculating Hub Delivery Fund:

- Number of Hub schools and colleges as at 1st September 2023

A forecast is used at the Grant Offer stage. This is subject to change following a review of total schools with a signed Memorandum of Understanding (as recorded on EANR) on 1st September and an adjustment will be made to funding as required following a final review of EANR on 31st October.

- “Disadvantage premium”

This is based on the Hub schools in the upper 50% for proportion of Free School Meals as at 31st March 2023:

- Baseline of £500 per Hub school and college
- Hubs receive enhanced funding based on the number of schools in the upper quartile for % of Free School Meals (calculated as £400 additional funding per Hub school)

- Hubs receive additional funding based on the number of schools in the third quartile for % of Free School Meals (calculated as £200 additional funding per Hub school)

	Projected Number	Projected Funding
Number of schools/colleges in Hub*	91	£45,500
Schools that are in the top 76-100% for proportion of Free School Meals**	10	£4,000
Schools that are in the top 50-75% for proportion of Free School Meals**	20	£4,000
Sub-total projected Hub Delivery Fund		£53,500
Total including top-up to ensure funding is equal to what was received for Local Hub Fund 2022-23		£54,000

*based on whole institutions with unique URN expected to be in your Hub by October 2023

**based on schools in Hub using the projection in the Grant Offer Letter, and reconciled against the number of schools with a signed MoU recorded on the EANR as at 31st October

4. Targets

Performance will be managed by CEC Managers against the following expectations:

Target	Measured by	Deadline
Priority 1: Improve Careers Provision		
Full Roll-out of Careers Hubs		
All eligible institutions are offered the opportunity to join a Careers Hub	EANR	By August 2024
Every Careers Hub institution to complete Compass every term	Compass	Termly
Benchmark Progress		
An average of 5.5 Gatsby Benchmarks achieved across Careers Hubs; faster progress for schools serving the most disadvantaged young people including Special Schools and Alternative Provision	Compass	By August 2024
90% of all institutions in Careers Hubs achieving at least 3 Gatsby Benchmarks	Compass	By August 2024
At least 20% of institutions in a Careers Hub achieving all 8 Gatsby Benchmarks	Compass	By August 2024
At least 20% of schools in your Hub should complete at least 100 Future Skills Questionnaires (FSQ) each	FSQ	By August 2024
At least 80% of eligible schools to have upgraded to Compass+	Compass	By August 2024
Priority 2: High Quality Experiences with Employers		
80% of Careers Hub institutions fully achieving Gatsby Benchmark 5 – Encounters with Employers – with faster progress made by institutions in the upper quartile of FSM, Special Schools and Alternative Provision and faster progress for schools serving the most disadvantaged young people including Special Schools and Alternative Provision	Compass; Grant claim – capture number of schools and students in upper half for FSM who have been	By August 2024

	supported through Hub Delivery Fund	
65% of Careers Hub institutions fully achieving Gatsby Benchmark 6 – Experiences of the Workplace - with faster progress for schools serving the most disadvantaged young people including Special Schools and Alternative Provision	Compass	By August 2024
Cornerstone Employers		
Every Careers Hub has a Cornerstone Group and Cornerstone Chair in place	EANR	By August 2024
Every Careers Hub evidences the number of institutions in the upper quartile of FSM, SEND Institutions and AP they have supported via their Cornerstone Employer group	Report on upper and third quartile schools (tbc)	By August 2024
All Cornerstone Employers undertake the annual Employer Standards self-assessment survey to support achieving a national baseline	Employer Standards Digital Portal	By August 2024
Skills-based Volunteering		
Increase the number of volunteers that support Hubs through one of the following: <ul style="list-style-type: none"> - Supporting an institution as an Enterprise Adviser (EA) - Supporting an institution through encounters with employers or employee 	EANR	By August 2024
Every institution in a Careers Hub offered the support of an Enterprise Adviser	EANR	By August 2024
Maintain at least 77 EAs in the Hub (equates to 85% of total schools and colleges in Hub for 2023/24)	EANR	By August 2024
Every Careers Hub will have a bank of Enterprise Advisers to be deployed based on institution need and framed around the CEC's and Careers Hub's priorities. A minimum of 80% of institutions in the Careers Hub will receive EA support at least once during the academic year	EANR	By August 2024
70% or higher, EAs satisfied with their experience	EA survey	By August 2024
70% or higher, educational institutions satisfied with the support they are receiving from an EA	Survey of Institutions	By August 2024
70% or higher, employers of EAs see the benefit of their staff member being an EA	Survey of Employers	By August 2024
Priority 3: Amplify Apprenticeships, Technical and Vocational Routes		
Every Careers Hub will deliver at least one initiative to improve the ability of young people to take up Apprenticeship and Technical education pathways under CEC's ATE Framework	Progress Reports on Strategic Hub Plan	By August 2024

Priority 4: Targeted Interventions for Economically Disadvantaged Young People (Free School Meals (FSM) and those who face Barriers		
Deliver activity using the Hub Delivery Fund to support young people in making effective transitions via “Positive Destinations”	Progress Reports on Strategic Hub Plan; Grant Claim reporting on Hub Delivery Fund	By August 2024
Priority 5: Connect Careers Provision in Schools and Colleges to the Needs of Local Economies		
Every Careers Hub, with employer input, will identify at least one core Future Industry and provide direct support to institutions in embedding this within their careers education	Strategic Hub Plan	By August 2024

KPI	Measured by	Deadline by
Future Skills Questionnaire – Intended Outcomes resulting from Careers Hubs’ Support		
70% of young people in a Careers Hub who respond to FSQ are “career ready” by Year 11, 80% by Year 13	FSQ	By August 2024
85% of young people in a Careers Hub who respond to FSQ are fully aware of apprenticeships by Year 11	FSQ	By August 2024
Learning and Development		
Every Careers Hub to have an agreed learning and development plan which reflects the needs of the Hub informed through the Careers Hub Strategic Improvement Plan	Strategic Hub Plan	11 Sept 2023; ongoing updates
Every Careers Hub to engage with CEC’s blended L&D programme and attend all national face to face meetings for Hub Leads and ECs	CEC attendance tracking including Digital Hub use	Termly
Partnerships		
Align work with local and national providers and co-ordinate with other programmes including the National Careers Service, the ASK programme, DWP and professionals outside the education workforce (e.g. Uniconnect, youth workers, Local Authority/Combined Authority teams)	Confirmation to CEC manager of termly contact and of invitation to join Hub Steering Group	Througho ut the academic year
Cornerstone Employers		
Cornerstone Employer Chairs and their groups support the ongoing development of the Employer Standards and development of resources	Employer Portal	Aug 24
All Cornerstone Employer Groups support Future Industry programmes contained within their LSIP (where applicable), feed into the implementation of LSIPs and provide guidance on how schools can reflect local skills needs in careers provision	Strategic Hub Plan	Aug 24
LSIPs (or equivalent)		
Every Careers Hub will have a communication and delivery plan regarding LSIPs embedded in their strategic Hub plan	Strategic Hub Plan	Termly
Careers Hubs will align to future industries set out in their LSIP and identify, with employer input, at least one core	Strategic Hub Plan	

future industry. Hubs should support schools and colleges to embed this within their careers education		
Provider Access Legislation (PAL)		
Support the implementation of PAL by communicating changes, co-ordinating Providers and schools, supporting resources and tools including updating Compass+ to track progress, and be a point of escalation	Compliance with PAL is monitored and reported nationally through Compass+ completions	Throughout the academic year
Support schools and providers to record and deliver provider access requirements, including through the development of bespoke resources, and management of the procedure whereby providers can raise concerns		

We look forward to working together to consolidate and reach full coverage across the Careers Hub Network to support every young person to take their best next step.

Yours sincerely,



John Yarham
Deputy Chief Executive

Paper B - Appendix 3

LLEP Operating Budget full year forecast 2023/24

	2023/24 Working Budget
	(£)
Grants (Core Funding and Capacity Building)	(250,000)
Fees, Interest & Other Income	(657,800)
National & Local Project Income	(1,334,200)
Total Income	(2,242,000)
Staffing Costs	726,800
Running Costs	262,100
Leicester City Council - support services and AB	158,700
Project Delivery Costs	1,719,400
Total Expenditure	2,867,000
Net Deficit	625,000

Note:

In summary, the forecast net deficit of £625,000 is essentially attributable to the potential Careers Hub match of £392,000 and Core costs of £233,000.



LLEP BOARD OF DIRECTORS

13 JUNE 2023

Information Paper

OPERATIONAL BUDGET 2022/23 - OUTTURN

1. PURPOSE OF REPORT

1.1 To inform the Board of the year-end finance position of the LLEP's operating budget for 2022/23 and the reserve as at 31 March 2023.

2. EXECUTIVE SUMMARY

2.1 The Board is recommended to note the outturn for the financial year 2022/23 and the reserve as at 31 March 2023.

3. BACKGROUND INFORMATION

3.1 The 2022/23 budget originally set and approved by the Board forecasted a balanced position. The forecast outturn was updated during the year, with the full receipt of interest income from GPF loans and increased interest on LLEP funds (as the base rate increased) being the main drivers behind an expected surplus. The year-end position for 2022/23 was a surplus of £1,070,700, together with £448,700 of specific funding to be carried forward, resulting in an increase to the LLEP reserve of £1,519,400. The position is shown in the table below, followed by an explanation of the key variances

	2022/23 Budget	2022/23 Actuals	Budget Variance
Income			
Grants	430,000	440,000	(10,000)
Contributions	250,000	187,500	62,500
Fees, Interest & Other Income	486,000	1,416,600	(930,600)
National and Local Programme Income	1,162,000	1,751,700	(589,700)

Total Income	2,328,000	3,795,800	(1,467,800)
---------------------	------------------	------------------	--------------------

	2022/23 Budget	2022/23 Actuals	Budget Variance
Expenditure			
Staffing	550,000	554,900	4,900
Running Costs	358,000	236,600	(121,400)
Accountable Body Costs	159,000	167,200	8,200
Programme Delivery	1,261,000	1,317,700	56,700
Total Expenditure	2,328,000	2,276,400	(51,600)
Net Surplus / (Deficit)	0	1,519,400	(1,519,400)

3.2 The LLEP reserve at the start of the year stood at £1.72m. This increased to £3.24m by the end of March 2023, comprising £449k of carried forward income and £2.79m of useable reserve. This is in line with the forecast presented to the Board at its previous meeting.

3.3 Income

3.3.1 National & Local Programme Income was £590k higher than was budgeted. Most income streams performed as planned; the budgeted contribution of £100k for the Enterprise Zones was received in full, and the ESIF technical assistance project final payment was received. In addition, the LLEP was successful in securing additional grant funding:

- The Careers Hub was successful in its application for £100k funding for the We Discover project, as well as £20k for Teacher Encounters Fund. In addition, £25k match funding was received from the University of Leicester to an Enterprise Coordinator. Of this funding, £98k needs to be carried into 2023/24.
- The LLEP was successful in leading a local consortium bid for the former Department of Digital, Culture, Media and Sport's (DCMS) Create Growth programme. The scheme provides £1.275m in funding over 3 years to support a Creative Academy programme that aims to support 100 businesses across the region. To date of the £425k received, £351k is set aside for the future needs of the programme.

3.3.2 Fees, Interest and Other income received was £931k higher than was budgeted at the start of the year. This was partly due to early repayment of the Gresham loan which (as reported) had not been fully accounted for within the budgets. In addition, a further

£102k was received from Haywood Estates LLP over and above the capital repayment, which has been allocated towards interest payments.

3.3.3 Due to the reduction in core funding of 25%, a comparative reduction in local contributions was received.

3.3.4 Due to increases in interest rates during the year, additional income was generated on funds held by the Accountable Body.

3.4 Expenditure

3.4.1 Core staffing remained largely the same throughout the year. There was a slight increase in cost due to the higher than budgeted 2022/23 pay award, slightly offset by one member of staff retiring.

3.4.2 Running cost budgets underspent by £121k after allowing for outsourcing communication work due to recruitment difficulties. Accountable Body costs increased due to the additional support provided in the absence of a Chief Executive.

3.4.3 Additional costs arose during the year on Programme Delivery, in particular for discrete CEC careers projects where additional income was received as noted above.

For further information please contact

Colin Sharpe
Deputy Director of Finance
Leicester City Council (Accountable Body)
0116 454 4081
Colin.Sharpe@leicester.gov.uk

Elizabeth Botmeh
Head of Delivery & Governance
Tel: 0116 454 2925
Email: Elizabeth.Botmeh@lep.org.uk



LLEP BOARD OF DIRECTORS

13 JUNE 2023

Decision Paper

LEICESTER AND LEICESTERSHIRE ENTERPRISE PARTNERSHIP LTD COMPANY ACCOUNTS

1. PURPOSE OF REPORT

1.1 The purpose of this report is to:

- i. seek board approval of the Leicester and Leicestershire Enterprise Partnership Ltd. Company accounts 2022/23 for submission to Companies House.

2. RECOMMENDATION

2.1 The LLEP Board is recommended to:

- i. approve the Leicester and Leicestershire Enterprise Partnership Ltd. Company accounts 2022/23 for submission to Companies House and;
- ii. present to company members at the Annual General Meeting (AGM).

3. BACKGROUND INFORMATION

3.1 Following the Strengthening LEPs policy paper and the recommendation that all LEPs become incorporated, the members of the Leicester and Leicestershire Enterprise Partnership incorporated as a private company limited by guarantee without share capital on 8th of April 2019.

3.2 Last year's financial accounts were submitted to Companies House on 29th September 2022, following the presentation to members at the AGM on 28th September 2022.

4. COMPANY ACCOUNTS

- 4.1 Following completion of the company's third financial year, the board is required to approve the accounts for submission.
- 4.2 Despite being a dormant company, the LLEP is still required to file a simplified form of accounts with Companies House, to ensure compliance with the Companies Act 2006. The deadline for submission to Companies House is 31st December 2023.
- 4.3 Once approved by the Board, the accounts will be emailed to all of the company members no later than the date of submission to Companies House in line with the requirements of the Companies Act 2006.

Summary of appendices

1. Leicester and Leicestershire Enterprise Partnership Ltd Company Accounts

For further information please contact:

Elizabeth Botmeh
Head of Delivery & Governance
Tel: 0116 4542925
E-mail: Elizabeth.botmeh@llep.org.uk

Paper D - Appendix 1

Company Registered Number 11932434 (England and Wales)

Leicester and Leicestershire Enterprise Partnership
Limited

Unaudited Dormant Accounts

For the period ended 31 March 2023

Balance Sheet as at 31 March 2023

	31.03.2023
	£
Fixed Assets	0
Current Assets	0
Current Liabilities	0
Total Assets less Liabilities	0
Capital and Reserves	0

For the financial period ending 31 March 2023 the company was entitled to exemption from audit under s480 of the Companies Act 2006 relating to dormant companies.

The members have not required the company to obtain an audit of its accounts for the period in question in accordance with s476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime.

These accounts were approved by the Board of directors and authorised for issue on 13th June 2023

And signed on their behalf by:

Andy Reed Director

Leicester and Leicestershire Enterprise Partnership Limited

Notes to the accounts

For the period ended 31 March 2023

1. Accounting policies

Company information

Leicester and Leicestershire Enterprise Partnership Limited is a private company limited by guarantee without shares incorporated in England and Wales. The registered office is 23, Halford Street, Leicester, United Kingdom LE11JA.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 section 1A "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Small Companies (Accounts and Reports) Regulations 2008, and in pounds sterling and under the historical cost convention.

2. Income statement

The company has not traded during the period. During this time the company received no income and incurred no expenditure and therefore no income statement is presented in these financial statements

