

**Stoke-on-Trent and Staffordshire
Local Enterprise Partnership**

Executive Group

Thursday 14th December

Sub Group and Policy Group Updates

- | | | |
|-----------|----------------------------|-----------------|
| 1. | Inward Investment | Page 2-3 |
| 2. | EU Funding | Page 4-5 |
| 3. | Audit & Finance | Pages 6 |

Inward Investment Update – October 2017

Investment Update – December 2017:

Performance:

In the financial year 2017/18 so far Make It Stoke-on-Trent & Staffordshire have successfully assisted 17 companies in creating/safeguarding 706 jobs (608 new jobs and 98 safeguarded) as the team work towards the annual target of 2,000 jobs.

Successes:

Successes recorded during the period since the last meeting include:

- TP Systems – 20 new jobs (CoRE, Stoke-on-Trent)
- 848 Group – 25 jobs (5 new and 20 retained)
- Iron Maidens – 15 jobs retained (Newcastle-Under-Lyme)

Lead Generation and Marketing:

Midlands Engine Challenge Fund – the Midlands Engine is taking two companies to JEC World 2018 – Lucideon and Jai Engineering. To develop a pipeline of enquiries, a lead generation tender exercise was undertaken to:

- Identify, target and validate foreign direct investment prospects in the advanced materials sector in key markets including UK, Europe, North America and Asia (specifically China)
- Match make and set up 1-2-1 meetings for a minimum of 15 key investment prospects at JEC World.

With its expertise in advanced materials and experience of delivering lead generation activities, the contract valued at £20,000 was awarded to Optimat.

Land and Property Supply:

At the last Investment Board meeting on 27 September there was a discussion on future employment land supply and the current lack of commercial property. It was agreed that the Make it team would meet with each of the district and borough council planning and economic development teams to discuss where they are with their Local Plans and identify challenges around land supply in the short, medium and long term. The results of these meetings will be shared with the Investment Board at the next meeting and the LEP Executive in the New Year.

MIPIM Cannes:

Flights, accommodation and passes have now been secured for all attendees from SSLEP and local authorities in attendance. Further to our previous submission, discussions remain ongoing regarding increasing our event allocation from three to five within the Midlands Pavilion and should be clarified at the next MIPIM Midlands steering group taking place on the 07/12. Discussions continue on increasing our private sector contributions, with positive dialogue with eight potential partners and around ten others

continue to be followed up. c£48,000 of the £50,000 agreed with SSLEP has now been drawn down, with public sector funding also confirmed. SoTCC (via CVEZ) - £15,000, SCC - £12,500 and SBC - £5,000. Discussions also remain ongoing regarding a potential contribution of £5,000 from Constellation Partnership towards a launch event for the recently delivered Growth Strategy to central government.

Draft event schedules have been proposed for the Midlands Pavilion, focusing on Stoke Station Masterplan and wider development areas including Ceramic Park, Stafford Gateway, housing growth including PRS and New Garden Settlement, energy securitisation and continued Enterprise Zone growth, which will be hosted by political figures from each authority and the SSLEP Chair. Events mirroring these themes (with the exception of EZ's) are also being developed within the Stoke & Staffs apartment, which will include engagement and keynote speakers from a number of private sector partners subject to agreement. Finally, new marketing collateral is currently being drafted to reflect the major projects and strategic sites being promoted at MIPIM, with a completion of late January anticipated.

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EU Funding

The SSLEP ESIF programme remains at a high level of commitment with many projects and programmes now contracted and are in delivery.

To date nearly **three quarters**, or **£99m**, of the **£137m** total EU funding available to Stoke on Trent and Staffordshire is committed to projects and programmes with funding agreements in place.

All SSLEP ESIF funds commitment as @ November 2017 (£m)

ESIF Fund	Total Allocation	Total grant committed	Balance of grant to allocate
ERDF	76.75	60.08	16.67
ESF	55.00	37.13	17.87
EAFRD	3.13	1.31	1.82
LEADER	1.84	0.64	1.20
TOTAL ESIF FUNDS	136.72	99.16	37.56

Highlights of this commitment to date for each of the funds include the following:

ERDF

Committed ERDF funding totalling **£60m** is underpinning key growth programme infrastructure projects such as **Keele Smart Innovation Hub** and a range business support and grant programmes co-ordinated through the Stoke on Trent & Staffordshire **Growth Hub**

£10m of ERDF is contributing to the **Midlands Engine Investment Fund**

A further **£10m** ERDF is contributing to the **Keele Smart Energy Network Demonstrator (SEND)** and **Low Carbon Business Evolution Programme** which will eventually deliver nearly **6,800 tonnes** of carbon savings.

By the end of the programme ERDF will have supported over **4,300** businesses to start or grow.

Three remaining ERDF calls plan to commit the remaining allocation by **Spring 2018**, 12 months ahead of the planned date for the UK to leave the EU. The **September** call yielded a further £10m ERDF ask including extensions to the **BIC's Innovation Support and Chamber's Mentoring for Growth Programmes**. The **December** call will seek to commit funding to bids still to come forward from the project pipeline such as the Stoke on Trent **District Heat Network** and extensions to the **Growth Hub** and **Low Carbon**

Business Support programmes . The final call in March 2018 will look to commit ERDF to support the International Trade and Manufacturing Advisory programmes.

Delays in the final stages of approval of key ERDF priority projects, such as Keele Smart Innovation Hub have been an ongoing area of concern and partners are working closely with DCLG to resolve these cases.

ESF

£37m of the ESF allocation is being delivered through three national opt in government programmes delivered by Department of Work and Pensions, Skills Funding Agency and the Big Lottery (Building Better Opportunities).

In the first 11 months of operation over **7,900** beneficiaries across all areas of Stoke on Trent & Staffordshire have been supported via the Opt In skills and employment programmes.

Individual ESF bids totalling **£8m** include proposals to create a **Skills Hub** and **Higher Skills** programme, matching HE courses and training provision to the needs of employers, are due to be agreed with DWP early 2018

EAFRD/LEADER

To date grants totalling **£1.9m** are committed that will support **26** businesses across the LEP's rural areas improving farm productivity and helping tourism and food and drink businesses to develop and expand.

The current EAFRD call is open until May 2018 and future LEADER calls throughout 2018 will see the full commitment of remaining allocations

An EAFRD **Rural Broadband Infrastructure Fund** has recently been announced providing an additional **£30m** through a national programme to tackle challenges to Broadband service provision in the most remote parts of the UK. Parts of the SSLEP area are being targeted to benefit from this fund.

The ESIF Committee next meets in January 2018 (Date to be confirmed)

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Audit & Finance update

Progress with the various funding streams managed through SSLEP governance is being monitored by the Audit & Finance Committee. In addition to the Funding Dashboard reported to the LEP Executive each quarter, an Outputs and Outcomes dashboard is being developed to track the progress and impact of key UK and EU funding streams supporting the LEP's Growth Programme. The first edition of the Outputs and Outcomes dashboard will be reported at the February LEP Executive meeting

Growing Places Fund- A number of the early projects supported by the Growing Places Fund are now completed, nearing completion or close to having a funding contract in place .

Particular highlights include the conclusion of 2 grant allocations for the **Etruria Valley** and **Smithfield Hotel** schemes and a number of loans that have been repaid in full or are close to repayment. This will allow for a 12th bidding call, with a resource available of around £2m, to be launched early in 2018 to attract new capital investment projects capable of supporting business growth and job creation.

A full progress report will be presented at the February Executive meeting including proposals for the new bidding call based on a review and evaluation of progress with the Growing Places Fund to date

The Audit & Finance Committee next meets on 19th January 2018.

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