

North East Local Enterprise Partnership Board



Thursday 28 November 2019 from 17:00 – 19:00

**Venue: Boardroom, Baltic Campus, Gateshead College,
Quarryfield Road, Gateshead, NE8 3BE**

Parking: Quarryfield Road multi storey adjacent to the College

AGENDA

- 1 Welcome from the Chair and apologies (5.00pm)**
- 2 Declarations of interest (5.00pm)**
- 3 Minutes of the last Board Meeting held on Thursday 19 September (5.05pm).** The Board will be asked to agree the Minutes
- 4 SEP Delivery Plan update – paper attached (5.10pm)**
Helen Golightly to present to the Board.
- 5 Innovation Update – paper attached (5.25pm)**
Alan Welby to present to the Board

Item 6 is confidential as it contains commercial information relating to the financial or business affairs of a particular person or organisation and is not for wider circulation.

- 6 Funding update and decisions – paper attached (5.55pm)**
Paul Woods to present to the Board.
- 7 A Manifesto for the North and NP11 update – paper attached (6:20pm)**
Richard Baker to present to the Board.
- 8 Any Other Business (6.45pm)**
- 9 Next meeting is Thursday 30 January 2020 from 5-7pm**

28 November 2019

ITEM 4: SEP Programme Delivery Update

1.0 Purpose of Report

- 1.1 This report provides a summary of the details given in the SEP Programme Delivery report, which is attached as *Appendix 1*.

2.0 Highlights and points to note since the last meeting

Business Growth

- Data from the Scale Up Review 2019 highlights that the density of scale up businesses in the North East LEP area has increased by 27% since 2016.
- Growth Hub delivery capacity increased to cover EU Exit Readiness, and to enhance our ability to gather intelligence on the potential impact and preparedness of businesses.
- New appointment within Invest North East England focusing on Business Development alongside contract extension for external support.

Innovation

- Project Pipeline agreed at the 23 September 2019 Innovation Delivery Board meeting. Further detail provided in separate LEP Board paper for 28 November 2019
- High level of interest in both the Incubator Support Fund and Innovation Project Development Fund calls that closed in October 2019

Skills, employment, inclusion and progression

- 144 Enterprise Advisers (EAs) have been recruited from a broad range of both large employers and SMEs, with 107 matched with a school or college. There has been a small drop in the number of matched schools and this due schools or business people withdrawing from the network.
- North East Ambition has started to deliver outputs and to date have signed up 26 SMEs (exceeding the target of 18) and 220 participants (exceeding the target of 109) in the first month of delivery.

Transport

- Ongoing discussions with DfT in relation to Tranche 2 of the Transforming Cities Fund; Full Business Case to be submitted by the end of November 2019.
- Metro Asset Renewal Programme is progressing with 190 of 270 projects now completed. Programme completion expected March 2021.

Investment and Infrastructure

- LGF budget for 2019/20 is £28m, current forecast outturn £27m with £8.5m of grant claimed to date.

- Review of the NEIF is ongoing, including an ex ante and development of appropriate project pipeline for potential Commercial Property Fund.
- Major funding requests for Royal Quays Enterprise Park and North Bank of Tyne expected to come forward for decision in January 2020.

Strategy and Policy

- LIS development process on hold due to general election
- Monitoring of business perceptions continues through the Brexit Group and the Growth Hub Connectors, with the intelligence informing the Brexit Toolkit online.
- Health and Life Science lead now in post
- Rural Energy Officer and Energy Innovation Partnership Manager now in post

Communications

- There continues to be growth in the number of followers across LEP's social media (1.6% on Twitter and 4.9% on LinkedIn since June). The North East LEP remains the most followed LEP in the country on Twitter.

3.0 Recommendations

- 3.1 The Board is recommended to note the contents of the report and *Appendix 1*.

Appendix – North East Strategic Economic Plan Programme Delivery update, November 2019

North East Strategic Economic Plan **Programme Delivery update**

28 November 2019



Performance against Strategic Economic Plan targets since 2014 (Last updated Jul 2019)

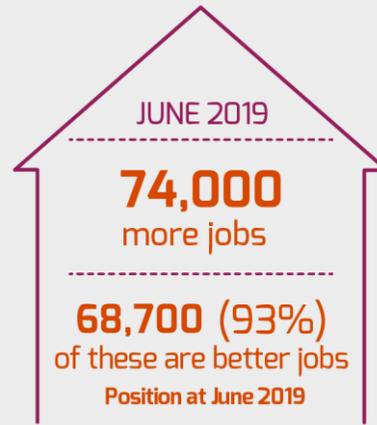
Target Increase the number of jobs in the North East economy by 100,000 by 2024



Position at June 2019



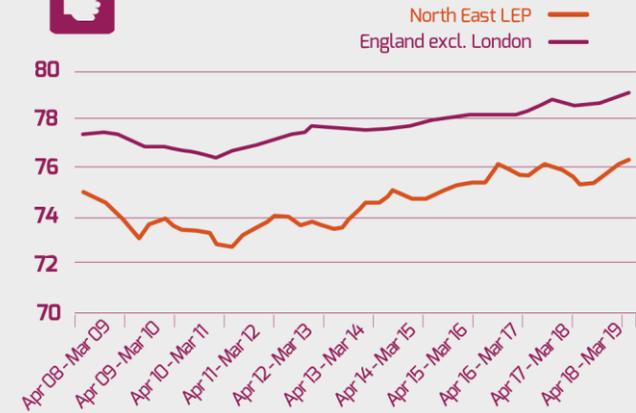
Target 70% of all jobs created from 2014 will be better jobs



Reduce the gap in economic activity for people aged 16-64
Target 50% reduction in gap by 2024



Position at June 2019: 19% reduction



Close the gap in the employment rate for people aged 16-64
Target 100% reduction in gap by 2024



Position at June 2019: 28% reduction

North East LEP —
England excl. London —



Reduce the gap in private sector employment density
Target 50% reduction in gap by 2024



Position at 2018: 17% increase (compared to 2015)

North East LEP (previous dataset) - - -
England excl. London (previous dataset) - - -
North East LEP —
England excl. London —



Reduce the gap in GVA per hour worked
Target 50% reduction in gap by 2024



Position at 2017: 29% reduction

North East LEP —
England excl. London —



Business Growth | Lead: Colin Bell

Ambition by 2024

To be a growth orientated, dynamic and productive environment where businesses invest, grow and thrive. At a time of change, we want business leaders to be inspired and supported to achieve their goals through strengthened leadership, innovation and trade, resulting in:

- An increase to the density of scaleup businesses in the North East by 50% from 2014 to 2024. These businesses will deliver 6,000 new jobs into the North East economy
- The attraction of new businesses who invest in the North East and create 4,000 new job per year between 2014 and 2024

We want more businesses to actively seek, and find with ease, the support and finance they need to grow and to strengthen the visibility of opportunities for investment in our economy.

What we will deliver	Progress update and current position	Lead	Progress Status
1. Raise levels of business growth ambition			
<ul style="list-style-type: none"> · 1.1 Research, develop and implement a strategy designed to increase businesses' ambition to start up, grow, scaleup and improve · 1.2 Develop relationships with intermediaries to reach a larger proportion of the region's businesses, with a particular focus on improving awareness amongst under-represented groups, such as women, ethnic minorities, rural areas and social enterprises 	<p>Aligned to LIS, work to design new business growth and innovation ecosystem now complete with recommendations made for consideration by advisory boards at their December meetings. Next phase is to engage external economic modelling external support to inform LIS development and future commissioning framework.</p> <p>Following on from kick-start of research collaboration with Northumbria University, two pieces of in-depth research are in progress looking at entrepreneurial culture and internationalisation.</p> <p>Currently investigating wider research opportunities with Durham University.</p> <p>Northumbria University is also involved in supporting High Potential Startups through the business clinic.</p> <p>The Financial and Professional Businesses Services group met on 10 September 2019 to consider the Local Industrial Strategy and sector needs. Two initiatives are emergent, a project to retain talent within the region, and collaboration to support sector competitiveness.</p>	Colin Bell	G
2. Increase demand for external business support and finance			
<ul style="list-style-type: none"> · 2.1 Provide access to business start-up support, finance and information through the North East Growth Hub online portal and the national Business Support Helpline · 2.2 Provide one-to-one impartial brokerage to established businesses and high potential start-ups through our Growth Hub Connectors · 2.3 Provide intensive account management and managed brokerage to businesses that are scaling up or have the potential to do so · 2.4 Work with high quality private and public partners to ensure business support and finance are accessible to rural businesses, social enterprises and business leaders from different gender and ethnic groups 	<p>Established baseline for Growth Hub awareness. 38% of businesses asked had heard of Growth Hub of which 5% have used the Growth Hub. We will now set penetration targets for future years to be embraced in SEP delivery plan 2020/21.</p> <p>On target to achieve KPIs for the year. At the time of reporting: YTD 16,760 light touch intervention achieved - 112% of annual target (up from 63% at last report) YTD 98% achieved for Customer Satisfaction survey (up from 86%)</p> <p>Behind target to achieve high intensity interventions YTD at 59% of annual target with 57% of annual target additional GVA generated. Jobs forecast figures at end Q2 YTD 20%. Updated figures due at end of this quarter and should show significant uplift that reflects conversion of In progress to completed interventions.</p> <p>Growth Hub Connect: KPIs: Two additional Connectors and a Project Coordinator in post under secondment agreements to engage businesses regarding EU Exit impacts. Connect team continues deliver impartial service across broad spectrum of growing businesses. YTD 286 medium intensity interventions, 57% of annual target (up from 34%).</p> <p>High Potential Startups now operational. Fourteen founder teams on cohort 1 which met for first workshop on 9 November.</p> <p>Baseline data issued by the Scaleup Institute in their Scale Up Review 2019 highlights that the density of scale up businesses in the North East LEP area has increased by 27% since 2016. This demonstrates strong progress toward the goal of increasing the density of scaleups by 50% by 2024. Scaleup North East and the Entrepreneurs' Forum's Scaleup Leaders' Academy are both called out in the review as good examples of LEP-level delivery.</p> <p>Scaleup North East and Supply Chain North East continue to deliver quality programmes against target. Scaleup North East redesign is improving delivery and depth of engagement, including response to findings of the interim evaluation. Specific activities taking place in liaison with local authorities.</p> <p>The North East LEP current digital framework is scheduled to expire on 6 March 2020. The OJEU process to re-procure for this service will begin in December 2019. A meet the buyer event took place in September and was attended by 17 companies, most of which were unknown to the LEP. It was a hugely positive event, where we had the opportunity to explain our requirements and expectations in advance of the procurement process and was well received by the market.</p> <p>RGN programme contracted to deliver 100%+ of jobs target. 42 projects complete/underway. 100% grant committed; 90% programme spend (up from 76%); 46% programme jobs created/safeguarded (190 against increased lifetime target of 412 gross resulting from LGF extension of the project and increase in LGF funding £6m to £7m, with revised lifetime to end March 2021) as at end Q2 (30 Sept). Positive response to new funding call September.</p> <p>RDPE Growth Programme: National call launched on 4 November to utilise underspend. We have a strong pipeline and are working with the North East RGN and RPA to promote, and Eols are already being received by RPA for new projects in the North East LEP area. Under last call, 47 projects contracted but under-programming continues to increase as applications submitted in the latter stages of the previous call are assessed. £2.7m has been paid to grant recipients against an under-programming of £4.6m.</p> <p>Our connectors continue to support businesses across the North East LEP area with 26% of visits supporting rural based businesses.</p> <p>North East Fund: £28m capital released for 175 investments supporting 172 businesses. Over £30m private sector funding has been co-invested. £2.3m has been returned by the funds, up from £1.4m at last report. £1m returned to EIB already and further repayment of £1m planned in December.</p>	Colin Bell	G

What we will deliver	Progress update and current position	Lead	Progress Status
<ul style="list-style-type: none"> · 3.1 Review business support and finance provision to ensure that the region's ecosystem provides a ladder for business growth from start-up to scaleup and continuous improvement · 3.2 Introduce a quality assurance system through the North East Growth Hub that assess the quality of support offered to businesses by external business support and finance providers · 3.3 Work with private and public partners to design and develop a range of interventions to drive productivity improvement and the adoption of digital technology · 3.4 Ensure peer mentoring and peer-to-peer leadership development is available to support businesses to scale and improve productivity · 3.5 Work with partners to increase the density of high potential start-ups in the North East · 3.8 Continue to develop the North East Growth Hub Business Support Provider Network to encourage collaboration and the sharing of good practice 	<p>Design of new business growth and innovation ecosystem framework now complete with engagement of boards, expert panel and Growth Hub Provider Network and reported to LA7 Economic Directors in Oct and Nov. Strategic priorities, programmes and funding scenarios proposed which will be tested in next stage of work to be procured early in 2020. Growth Hub Provider Network meeting on 17 October focused on the business and innovation ecosystem framework and Brexit activities and intelligence. A final workshop with add specialists is taking place on 17 December to share with the group findings from their work to develop an ecosystem model for business growth and innovation support.</p> <p>First meeting of Finance Task & Finish Group is yet to take place due to delay in appointing chair.</p> <p>Quality assurance process automated and operational through the CRM system and data now being generated</p> <p>Data sharing agreements updated including with specific delivery partners.</p> <p>Supply Chain North East supporting companies to adopt digital technology through Generator, one of the four delivery partners.</p> <p>Draft LIS includes productivity proposition, underpinned by evidence and ecosystem framework findings.</p> <p>Resource to deliver the Be the Business mentoring programme in the North East in place and planning to hold a mentor event on 6th December to engage and recruit larger businesses in the region to get involved with the initiative.</p> <p>High Potential Startups now operation with fourteen founding teams of cohort 1, due to complete April 2020. Cohort 1 will be reviewed to inform cohort 2. Eols will reopen Feb 2020.</p> <p>Six scaleup partners continue to deliver excellent account management through Scaleup North East. Review of scaleup solutions and scaleup community and new strategic attention on stakeholder relations, pipeline (new clients) and customer journey are bringing added value to the programme. In total, 213 businesses are contracted on programme (up from 156 business). Of 105 businesses which have provided a full set of data, 551 jobs forecast of which 67% better jobs. Additionally, 65 clients are pre-contract and pipeline is strengthening through marketing and engagement activities. The programme has reach across all sectors and to all parts of the LEP region. Of contracted clients, 23% are manufacturing, 17% services, 15% digital. Highest proportion (31%) are Newcastle and 27% County Durham. Clients identify with multiple scaleup challenges: 30% identify with access to markets, 22% leadership and 17% talent and skills. Plans in place to introduce clients to mentors as part of their ongoing support following completion of the SUNE programme. North-East internationalisation strategy in development via LIS process.</p>	Colin Bell	G
4. Improve the region's economic resilience			
<ul style="list-style-type: none"> · 4.1 Use the North East Growth Hub to distribute up-to-date information on business support and finance options available to support Brexit preparations · 4.2 Work with partners to develop programmes and solution designed to help businesses to diversify into new markets, supply chains and geographies, including through Supply Chain North East · 4.3 Work with partners to inform the business support and finance funding mechanisms that will replace the European Structural Investment Funds · 4.4 Work with partners to set up task forces, when appropriate, to prepare for, to mitigate the effects of and to deal with the fallout of economic shocks 	<p>Worked with BEIS and awarded grant funding to deliver the EU Exit Business Readiness Engagement Project (Brexit) in the North East. We lead a cluster for the region, engaging Tees Valley Combined Authority, grant funding dovetails with Government's 'Get Ready for Brexit' campaigns and roadshows. As reported above, Growth Hub delivery capacity increased to cover EU Exit Readiness, and to enhance our ability to gather intelligence on the potential impact and preparedness of businesses. Three surveys are gathering intelligence and emerging themes from the North East landscape. Feedback to North East Brexit Working Group.</p> <p>Supply Chain North East continues to support businesses to diversify into new markets to spread risk.</p> <p>Rapid response taskforce and response plan in place.</p>	Colin Bell	G
5. Grow inward investment in the region			
<ul style="list-style-type: none"> · 5.1 Combined and local authorities, the LEP, the Department for International Trade and private sector will work together with a shared ambition of securing maximum inward investment into the North East · 5.2 Establish and follow a clear target driven, lead generation model that is focused on the SEPs areas of strategic importance and support service sectors · 5.3 Have a robust account management system, led by local authorities, to share knowledge and investment opportunities with key partners · 5.4 Develop and deliver an integrated marketing plan to raise the profile of the North East as a place to invest and locate 	<p>In 2018/19 the North East LEP area performed better than any UK region except London and West Midlands (when measured as new jobs created through FDI per 100,000 working age population) with 84 inward investments into the region creating 2,796 new jobs.</p> <p>In the first two quarters in 2019/20 results show 38 inward investment successes creating 1,153 jobs. Of these 21 were FDI creating 487 jobs and 17 were new UK investments creating 666 jobs. There are some significant announcements of new investment successes scheduled for the next two quarters.</p> <p>INEE appointed a new graduate intern on 2 September. This new role will concentrate on new business development lead generation.</p> <p>INEE's lead generation contract has been re-awarded to OCO Global. OCO will concentrate on generating leads from Digital Tech companies in London and the SE and Ireland. They will also source leads from some advanced manufacturing sub-sectors. OCO will use their international links to source opportunities from overseas.</p> <p>Hub and spoke delivery model continues with Invest North East England (INEE) providing the strategic inward investment service for the LEP area working with the seven local authorities, the two combined authorities, and other partners. INEE is first point of contact with DIT Investment Services and the DIT Northern Powerhouse teams.</p> <p>INEE (through NECA) continues to deliver the DIT Key Account Management Programme (KAM) through circa £153k of DIT Northern Powerhouse funding. To the end of October 2019 there have been 14 new successes reported through this programme (two thirds of all the FDI success to date in 2019/20.) INEE is working with local authorities to access key information gleaned from account management activity.</p> <p>INEE communications and marketing plan developed with input from the North East LEP and the seven local authorities. This is reviewed and updated regularly. This includes: piloting a pay per click campaign; sponsorship and attendance at key events where inward delegations are attending; web updates; social media campaigns.</p>	Guy Currey	A

Programme Risks					
Risk Description	Cause description	Likelihood	Impact	Overall	Actions to avoid/reduce impact
Quality of Growth Hub infrastructure impacted by new supplier	Forced change of supplier requires team to monitor closely the contract in order to maintain performance quality.	L	H	LH	Contract management and control. New procurement exercise underway. Some activities brought in-house to assist responsiveness and flexibility although this impacts on over work capacity.
Resources stretched	Resource impacts from new contracting arrangements	M	H	MH	Value for money sought from new contract. Existing suppliers under current contracts and in-house personnel used to deliver actions.
Programmes do not match the needs of businesses	Lack of control over current funding landscape	M	H	MH	Continued liaison with BEIS with North East LEP taking a thought leadership role in some policy areas. Continued reporting that demonstrates the value and return for Government investment. Ecosystem framework contract underway to inform future delivery strategy.
Future ecosystem deployment is delayed	SPF or EU funding successor is delayed	M	H	MH	Complete ecosystem framework, in consultation with expert panel and providers, commission modelling work and prepare delivery strategy as to ensure we are well prepared for future funding. This is joint activity across business growth and innovation programmes.
Business downturn and/or closure	Brexit process/outcome causes economic shock National resources are not secured or directed to deal with significant shocks Regional partners are uncoordinated and unable to draw down Government resources	M	H	MH	Continued work through the North East Brexit Working Group. Resources being drawn down from BEIS for the North East cluster. An internal cross-programme team formed and project management resources being put in place. North East Growth Hub will roll out national Brexit Campaign, using Growth Hub Brexit Toolkit as a primary engagement tool. SMT members liaising with business representative organisations in order to form a regional alliance and strong bit to the national Brexit Preparation Fund.
Ability to attract new FDI is significantly impeded with resultant economic impacts to North East LEP economy.	EU Exit and in particular, more serious impacts anticipated of a No Deal situation	M	H	MH	Continued liaison and dialogue with partners to develop contingency plans.

Innovation | Lead: Alan Welby

Ambition by 2024

Innovation is central to our long-term aim to build a more productive North East, fostering a competitive and embedded business base and solving social and economic challenges in the region and beyond. It is a tool for internationalising our economy, particularly in areas of specialisation, by attracting partners and investors to engage in our science, research and business base and for strengthening the competitiveness of businesses and creativity of communities.

We have an ambition of a collaborative and open innovation eco-system that enables the matching of what is needed to what is possible to drive economic or social value, or both.

We aim to increase the number of innovation active businesses by 550 and increase investment in business research, development and innovation by 50% between 2014 and 2024.

What we will deliver	Progress update and current position	Lead	Progress Status
Stimulate new business opportunities through the North East Open Innovation Challenge			
<ul style="list-style-type: none"> Support growing activity to foster open innovation between large corporates, public sector and innovation-led SMEs in the region with a clear brand Support the alignment and communication of open innovation and challenge events and programmes to create critical mass and deepen engagement with regional businesses in events Support best practice for open innovation events 	<ul style="list-style-type: none"> Development of the scoping sprint to understand regional appetite for open innovation challenges is underway with event planned for autumn/winter 2019. Innovation vouchers have been issued for pilot 1 wave 1, of the INVITE project and the second call is currently open. 	Alan Welby	A
Prioritise a regional pipeline of projects to form a Strategic Investment Programme			
<ul style="list-style-type: none"> Develop a prioritised list of regional, large scale pipeline projects Align with activities undertaken by our Combined Authorities Focus on large-scale collaborative projects that have the capacity to have significant impact for the regional economy and create jobs The North East LEP's Innovation Board will play a challenge and support role, holding regional partners to account for progress in developing the evidence base and business plans, securing funding and delivering pipeline projects Develop a programme to address identified place-based gaps to supporting business growth Coordinate an approach to securing funds for pipeline projects, including from the National Productivity Investment Fund (NPIF) and Grand Challenges 	<ul style="list-style-type: none"> Project Pipeline agreed at the 23rd September Board meeting of the Innovation Delivery Board and full paper prepared for the LEP Board meeting on the 28th November for approval Representatives from the Economic Directors from both the North East Combined Authority and North of Tyne Combined Authority areas were part of the task and finish group to consider applications. Assessment criteria approved and utilised in prioritisation of projects submitted. This will be retained for assessment of future projects. Approach to accepting on-going applications approved at the 23rd September Innovation Programme Board. This will be open for applications and subject to the established criteria for recommendation to the Innovation Delivery Board. The approach to developing the key projects has been approved by the Innovation Delivery Board and implemented to report to the December 5th Board meeting. Specification for procurement for place-focused study has been drafted and discussed with partners although current resourcing levels are not sufficient to take forward. Other routes to delivery are being investigated including through the universities. Hosted workshop with SuperNetwork to launch the second wave of Strength in Places call. Ongoing active support is being provided to wave one priority projects. 	Alan Welby	G
Support our businesses to capitalise on local research and innovation capability			
<ul style="list-style-type: none"> Strengthen collaboration between businesses and innovation assets such as universities, catapults and national centres of excellence Enhance the co-ordination between businesses, sectors and innovation assets Support our innovation assets to successfully secure national funding to run regional programmes Work with service delivery partners such as the NHS and local authorities to take-up and roll-out new delivery approaches 	<ul style="list-style-type: none"> Initial demonstrator asset base mapping exercise complete. Next stage is to undertake engagement and verification of evidence. Engagement with universities undertaken through SuperNetwork and through the development of the LIS universities for growth proposition which sets out 16 areas for activity. Applications have been received from catapults and universities for project development funding. LEP providing support for Strength in Places fund development, both waves one and two. Engagement is underway, with key partners aware of open innovation challenge development activity being developed. 	Alan Welby	G

What we will deliver	Progress update and current position	Lead	Progress Status
Increase private sector investment into growing innovation businesses			
<ul style="list-style-type: none"> Support VentureFest and FinanceCamp Develop new approaches to lever private funding from outside the region Develop an open innovation challenge to drive increased collaborative investment Work with universities to continue to grow spin-out success, including through Northern Accelerator 	<ul style="list-style-type: none"> The Innovation team continues to work closely with the SuperNetwork, and have supported the preparations for Venture Fest and FinanceCamp in 2019 with next event (VentureFest) scheduled for 28th November 2019. Initial review of access to finance provision completed. Working with the Business Growth Team an Access to Finance Task and Finish Group has been developed to oversee and guide further activities. The Open Innovation Challenge development is underway as reported under Activity 1. This will develop an approach that will support increased private sector investment. Alan Welby continues to attend the Northern Accelerator Board to support the development of the project. Northern Accelerator was also selected as a priority partner as part of the Pipeline Prioritisation Process. Work with the universities is on-going looking to identify routes to increase spin-out activity. Current work is being taken forward through ERDF activity with the development of the Business Growth activity addressing university activity. 	Alan Welby	A
Engage partners to identify and drive business growth through an Innovation Sectors and Competencies Programme			
<ul style="list-style-type: none"> Identify and prioritise regional innovation sectors and competencies, including assessing where these align with the Industrial Strategy and North East Local Industrial Strategy Put robust governance in place to identify priority areas Ensure buy-in and engagement with private sector Develop a portfolio of projects and programmes Identify leads and capacity to drive activity Improve alignment of innovation activities to skills and business growth programmes 	<ul style="list-style-type: none"> The regional sectors and competencies study taken forward with the Policy and Strategy Team to inform the Local Industrial Strategy has been completed with Technopolis providing a final report. Unconventional Connections has been commissioned to develop an initial IDP model that will be reported to the Innovation Board on the 23rd September as part of developing a full model by the end of the year. The development of the Innovation Delivery Partnership is the proposed route to ensure oversight of the niche competencies. A proposal for monitoring IDP development is being developed for the 23rd September Board meeting. Partners are being engaged through the development of the Innovation Delivery Framework with a launch event being prepared for early 2020 The development of the project portfolio has been taken forward through the project pipeline process addressed under Activity 2 A series of draft proposition have been developed as part of the LIS development process. Initial alignment has been undertaken in joint work with Business Growth, Investment and Policy and Strategy Teams. Additional activities required to progress alignment with skills team. 	Alan Welby	G
Coordinate regional partners to provide enhanced innovation support activity			
<ul style="list-style-type: none"> Supporting the delivery of a programme of innovation support for regional businesses Ensure activity is aligned through successful partnership brokered by the Innovation SuperNetwork Support businesses to increase their investment in RDI Strengthen our links with national and international hubs and networks to generate commercial returns for local businesses 	<ul style="list-style-type: none"> ADDs specialist (consultants) have produced a final report proposing a new approach to the ecosystem to fit within the Growth Hub 2 approach. This will be further developed considering monitoring and evaluation metrics and approaches to commissioning. LEP team continues to work closely with the ISN team and have delivered a series of shared events including the Strength in Places Fund workshop and the Business Growth Innovation Practice sessions. The challenge of increasing business RDI is being considered as part of the Innovation Delivery Framework. Alan Welby has arranged a series of meetings with Innovate UK, BEIS and the catapults to engage national partners in the development of the Innovation Delivery Framework and introduce the IDP model. 	Alan Welby	G

Programme Risks

Risk Description	Cause description	Likelihood	Impact	Overall	Actions to avoid/reduce impact
Innovation budget insufficient to cover all activities - namely Places and Communities study	Broader budget pressures	H	M	HM	Investigating other approaches to delivery without cost
Uncertainty over funding direction of key national competitions	General Election	M	H	MH	Keeping up to date with development and developing strong project irrespective of details of investment stream

Skills, employment, inclusion and progression | Lead: Michelle Rainbow

Ambition by 2024

Our long-term ambition in the North East is that demand for skills and the quality of jobs continue to improve, leading to higher productivity. To delivery this, the North East must be a place where:

- Individuals, regardless of age or employment status, have a good understanding of the employment opportunities available in teh North East and the pathways to access them
- Employers have strong links with education and training providers leading to responsive provision that meets local needs
- All parterns understand the importance of skills in improving productivity and living standards, with commitment to delivering good working environments for residents

This is an ambition vision that will require substantial changes to deliver. By 2024, our ambition is that these principles are understood across the region and that there has been significant progress made towards their achivement, providing a strong base to build on in future years.

What we will deliver	Progress update and current position	Lead	Progress Status
1. Deliver North East Ambition			
<ul style="list-style-type: none"> · Develop a primary school benchmark pilot that could influence the national careers strategy · Adoption of the Gatsby Good Careers Benchmarks by all secondary schools and colleges · Secure and deliver a £3.4million North East Ambition programme that ensures our education system provides young people with the skills to meet the long-term needs of the North East economy 	<ul style="list-style-type: none"> · All schools in the primary pilot have completed the initial audit and baseline results have been analysed. Initial meetings with all pilot schools have been completed, meetings include an analysis of school's action and spend plans. Case studies of intial work in primary are being prepared. · Work began with the Wave 2 schools careers hubs and a Wave 2 SEND focused careers hub.A SEND hub meeting is scheduled for the end of winter term 2019, with the aim of identifying common challenges and finding solutions. A key emerging aim of the SEND hub is evidencing issues around progression for SEND cohorts and how the current careers guidance strategy may be adapted to meet these challenges. · The DWP PIV was signed off Tuesday 5th November. DWP have also requested that we complete a Project Change Request (PCR) due to the delayed grant offer letter, meaning a revised budget and output profile is being completed. This is currently being worked through for completion by 22nd November. Regardless of this the team have started to deliver outputs and to date have signed up 26 SMEs, exceeding the target of 18 and 220 participants to the project in the first month of delivery, exceeding the target of 109. · 144 Enterprise Advisers have been recruited into the North East Enterprise Adviser Network, from a broad range of both large employers and SME's, 107 of these have been matched to schools and colleges. There has been a small drop in the number of matched schools and this due to a number of reasons. Some schools no longer wish to take advantage of having an Enterprise Adviser due to their developing engagement strategy, some business people have withdrawn from the network due to work commitments and some employers feel that the school themselves are not ready for an Enterprise Adviser. This is being addressed through CPD sessions for Careers Advisers and broader staff to raise an awareness and highlight the benefits 	Michelle Rainbow	G
2. Deliver Education Challenge			
<ul style="list-style-type: none"> · Partner with the Department for Education and others to consider the allocation of the £24 million Opportunity North East funding to improve prospects for young people in the North East. Boost social mobility and raise aspirations for children · Expand delivery of the Next Generation learning pilot focussing on school leadership, high quality CPD, rich employer engagement, early preparation for next stage, a focus on wider skills, a focus on student well-being and teaching and learning through applied learning, project based learning and oracy skills 	<ul style="list-style-type: none"> · Proposal for a LEP enhanced careers focused offer, in coordination with the Tees Valley Combined Authority was presented to the ONE Vision board. the principles of the proposal was agreed and it is undergoing final development. · All phase 2 schools and colleges have undertaken a visioning process. · Phase 2 schools have undertaken a study trip to School 21 in October 2019 to look at project based learning and Oracy. They will also have the opportunity to attend a world leading CPD session on project based learning by the Edge Foundation at Newcastle University (22nd-24th November). The first round of teacher externship has been delivverd by Edge Foundation in Autumn term 2019. · School Governance: The LEP has begun an partnership with Newcastle University to open up a pathway to school governors that is available to undergraduates. 	Michelle Rainbow	G

What we will deliver	Progress update and current position	Lead	Progress Status
3. Improve skills progression			
<ul style="list-style-type: none"> Develop a list of the region's assets within FE, HE and other providers to inform future investment provision Promote the North East as a potential location to pilot a system to help individuals recognise and record their transferable skills Work with the Apprenticeship Growth Partnership and other partners to increase the number of apprenticeships available at all levels within growth and labour-intensive sectors Support partners to implement good quality T-levels and specialist technical education to widen choices for young people Secure funding to deliver a university pilot project focussing on careers and opportunities 	<ul style="list-style-type: none"> The North East LEP team has developed a business case to secure funding to produce an comprehensive asset and capability study for the region. A specification will be released for tender in November. The LEP and other partners are scoping the pilot programme for transferable or fusion skills. The pilot will be influenced by the findings in the Taylor Review. A proposition for a pilot was presented to the Local Industrial Strategy Summit in July 2019. The LEP continues working closely with ESFA on the second phase of the "Fire It Up" campaign to promote apprenticeships. The North East LEP is developing a strategy to help non-levy paying SMEs take up apprenticeships, and take advantage of ESFA's opening of the apprenticeships service to SMEs in 2020. The LEP has submitted a proposal to an ESFA to hold a series of targeted events to promote T-levels placements. The LEP continues to work with the four universities in the region and Universities UK to shape a pilot programme. 	Michelle Rainbow	G
4. Increase youth employment			
<ul style="list-style-type: none"> Continue to deliver Generation North East and the model to prevent youth unemployment Provide specialist intensive support for those most distant from the labour market because of disadvantage, poverty, poor physical and mental health Grow the number of apprenticeships by developing access courses Ensure young people are able to develop their digital skills. This required digital skills to be build into school, FE and HE courses, exploring new models of delivery including working to secure an Institute of Technology in the region and ensuring that support for young people not in education, employment or training includes digital skills training 	<ul style="list-style-type: none"> Generation North East delivers across 6 local authority areas and has successfully engaged 700 young people (18-29yrs) and supported 200 of those to enter employment. The project has used the success of their digital services to help implement a new adult digital service offered by Newcastle Futures, branded "Tyne Online" which will support over 30yrs. under employed and those in precarious employment to gain and progress in work. The project has received has received a Successful Decision Letter from DWP DurhamWorks has recently surpassed the milestone of 7,000 young people engaging with the programme since its commencement in January 2016. In addition, 3,119 have now progressed into employment, education or training or gained a qualification. Of those, the majority (2,200) have progressed into employment. Recent action has been taken to create more sector-related work experience and job opportunities, including experiences targeted at young people with autism. Work is underway on proposals to build on the data work of the SAP and capitalise on policy reforms such as T-Levels, and Institutes of Technology to inform investment in FE based on the asset and capability map through the SAP. The Skills Advisory Panel approved the commissioning a study into future digital skills assessment in health and social care. This model combined with the Asset and Capability study will form an evolving evidence base that can inform investment into schools as well as the Further and Higher education sector. These studies will be closely aligned with the LEP's digital strategy. 	Michelle Rainbow	G
5. Improve labour market activation			
<ul style="list-style-type: none"> Continue to develop holistic package of support for people facing health barriers to employment, building on successful projects such as Mental Health Trailblazer and Working Links, showcasing the benefits of collaboration Ensure support is in place for those that have moved from unemployment or inactivity into work to help them progress and acquire further skills Increase take up of Better Health at Work Awards and similar schemes to employers, to share employment and human resource best practice 	<ul style="list-style-type: none"> Mental Health Trailblazer is delivering integrated employment support and psychological therapy to jobseekers with mental health conditions, the programmes closes at the end of December 2019. Referrals to the project have been closed but existing participants will continue to be worked with to end of December. Jobcentres will continue to refer jobseekers to IAPT services. An evaluation will be published by Behavioural Insights Team in 2020. Links to Work is the DWP 'Opt-In' programme for the NE LEP area to support unemployed residents with health conditions to find work. FedCap delivers the contract through a mix of direct delivery and local supply chain partners offering a range of job search and skills provision, integrated with health and wellbeing support. The project is contract managed by DWP, starting in January 2017 and due to complete at the end of 2019. 2500 participants have been supported, with 1020 in jobs and 350 in second jobs. The national retraining scheme is the government's new programme to help adults retrain into better jobs and be ready for future changes to the economy. The North East is one of the test regions for the scheme. The LEP is analysing first round of data from the region and will be exploring linking the scheme to regional initiatives. There has been an upturn in the numbers of seminars and events in 2018/19 promoting the benefits of BHAWA and sharing HR best practice. The LEP is coordinating with partners on the Good Work agenda, and is attending a series of partner events on Good Work. 	Michelle Rainbow	G
6. Ensure connected communities			
<ul style="list-style-type: none"> Provide targeted support for communities and individuals, focusing on those with multiple barriers or protected characteristics, and ensure this is a strategic funding priority Work to secure funding and other resources to ensure that all North East residents are able to develop their digital skills regardless of their age, location or economic status Consideration of digital skills provision and local digital infrastructure must be prioritised 	<ul style="list-style-type: none"> Over £70m of ESF projects are currently live, with many more coming on stream later this year. ESF projects have a strong focus on supporting disadvantaged groups and we expect to see some important results from these projects to help address long term imbalances in future. Digital Skills is part of the overall ESIF strategy and will be a priority in the development of future provision. The SAP will provide the start of the detailed analysis of the requirement. The North East LEP Digital strategy was launched in October 2019, the digital skills element is closely aligned to the connected communities programme of delivery. The LEP is looking at potential funding streams with partners to action the strategy. 	Michelle Rainbow	G

Transport connectivity | Lead: Philip Meikle

Vision Statement

Our ambition is once of improved, greener and more sustainable transport options, including public transport, cycling and walking.

New mobility solutions will make travel simpler and affordable across our distinctive local economy. Quality infrastructure will make for reliable, fast journeys with connectivity into national and international freight and passenger networks. This network will be the enabler to sustainable growth and opportunity, and to the North East being an outward looking economy attracting trade, investment and visitors from across Europe and the world.

Through the Strategic Economic Plan we have established a strong investment pipeline. Our aim is to continue to deliver continuous improvement in a modern, integrated transport system that underpins our economic ambitions.

What we will deliver	Progress update and current position	Lead	Progress Status
Ongoing transport project delivery			
<ul style="list-style-type: none"> Continued infrastructure renewals on the Metro system to promote system reliability Further roll out of electric vehicle charging points through the Go Ultra Low North East programme to encourage the uptake of Ultra Low Emission Vehicles in the region Delivery of the Local Growth Fund transport programme and the Local Sustainable Transport Fund capital programme 	<ul style="list-style-type: none"> Project and Programme Management of circa 270 individual projects within the Metro Asset Renewal Programme. Funding of £352m confirmed with investment to date of £317m. 190 Projects completed and closed out, 74 Projects in progress at 29 October 2019. Funding / Programme completion 31 March 2021. Securing of Metro Infrastructure Funding beyond March 2021. Submission of Business Case to DfT completed in March 2019. Response expected in Government Spending Review 2019 - Autumn 2019 Transport North East Strategy Unit are currently working to progress the procurement of a Contractor who will install the units and operate a EV network which is specifically for the taxi trade. The procurement went out to the market in the middle of October and it is expected that a contract award will occur in December 2019. Delivery of the LGF transport programme is progressing well with a number of schemes now complete. Project progress and expenditure continues to be monitored closely. 	Philip Meikle	G
Secure funding from Transforming Cities Bid and commence delivery			
<ul style="list-style-type: none"> A high-quality bid, that secures significant funding for the sustainable transport network Begin a programme of sustainable infrastructure interventions in public transport, walking and cycling Develop the foundations of an innovative new mobility ecosystem with digitally based ticketing 	<ul style="list-style-type: none"> A draft Strategic Outline Business Case for Tranche 2 was submitted to DfT in June 2019. A final version of this SOBC is being completed for consideration by JTC on 19 November 2019, which will then be submitted to DfT on 28 November 2019. The high cost scenario ask for the SOBC is £394m. Strategic Outline Business Case for Tranche 2 funding due to be submitted by end of November 2019. Delivery of schemes funded through Tranche 1 of Transforming Cities is progressing to schedule and on budget. A plan for new mobility has been prepared (this formed the basis of our FMZ bid). Exploration continues to find potential sources of funding for new mobility interventions. 	Philip Meikle	G
Deliver better connectivity through improved infrastructure			
<ul style="list-style-type: none"> Interventions on the local Strategic Highways Network, including major junction projects and commencement of A1 improvements Roll out of the first trains in the Metro fleet replacement programmes Commissioning of electric vehicle filling stations and charging clusters 	<ul style="list-style-type: none"> Highways England current work programmes for strategic highways improvements is on schedule: -A19: Construction on Testos/ Downhill Lane has commenced, which will create a free flowing A19 between North Yorkshire and Northumberland. -A69: Work has commenced on two junction schemes in the Hexham area to improve flow. -A66: Planning for the dualling scheme is progressing and HE are currently reviewing the results of public consultation. -A1: Western Bypass improvements at Scotswood-North Brunton undergoing detailed design and due to commence in 2020/21. A1 in Northumberland, consultation has started on the Alnwick – Ellingham dualling. Due to start alongside Morpeth-Felton dualling and north of Ellingham junction improvement schemes in 2021. Tender evaluation has been completed and Nexus are in the process of obtaining approval of its Final Business Case from DfT and HMT in order to release the funding from government for the Fleet Replacement Programme. Subject to receiving an offer of grant funding from DfT in December Nexus will award Contracts for the new fleet, new depot and fleet maintenance in January 2020. The Sunderland filling station has now opened and has been well received. Work on the Newcastle station is due to commence imminently. The first phase of charging clusters have started to be installed and should complete this Autumn. The second phase of the clusters are currently going through Planning and installation should commence early Autumn 	Philip Meikle	G
Develop a future transport investment pipeline			
<ul style="list-style-type: none"> Development of the North East Transport Plan including supplementary thematic strategies designed to support our economy Continued participation in Transport for the North and Rail North to identify pan-Northern connectivity priorities A pipeline of schemes matched to targeted funding solutions 	<ul style="list-style-type: none"> The development of the North East Transport Plan continues: vision, principles and objectives have been drafted and are being taken to JTC for approval 18 November. Mission flowcharts based on key modes are currently being developed. The content of the mission flowcharts will include a baseline position and set out a strategic direction of where we want the region to be; key recommendations will also be presented. The information in the mission flowcharts will form the core content of the Transport Plan technical document. Unlike previous transport plans, we will digitalise the Plan to ensure it is more public facing and it will be a 'live' document so that the data and interventions can be updated. The technical document will sit behind the web based, public facing Transport Plan. It is anticipated that the consultation draft of the Plan will be endorsed by JCT summer 2020. The Transport North East Strategy Unit and Nexus are engaged with TfN on current projects covering the Major Roads Network, Strategic Development Corridors (road and rail) and the Long Term Rail Strategy line of route audits. Project pipeline for inclusion in the Transport Plan is being developed, these will be projects which are regional priorities and meet the objectives and targets within the Transport Plan. 	Philip Meikle	A

What we will deliver	Progress update and current position	Lead	Progress Status
Improve national and international connectivity			
<ul style="list-style-type: none"> Delivery of the programme of interventions outlined in the Newcastle Airport Masterplan to grow routes and foster wider business growth in associated sectors Agreement with Northern Powerhouse Rail and others on approach to East Coast Mainline improvements Ongoing augmentation or port capability to support trade and investment and to foster growth in key regional areas of opportunity including energy and advanced manufacturing 	<ul style="list-style-type: none"> Masterplan 2035 adopted by Newcastle International Airport's Board and published. Major car park redevelopment underway and new Meet and Greet facility opened. Lufthansa route to its Munich hub to commence in February 2020 with other route development work ongoing, but commercially confidential. Nexus are currently engaged in development work with Network Rail and TfN in projects including Northern Powerhouse Rail (1st SOBC completed, refreshed SOBC under development,) making the ECML HS2 and NPR ready (Initial future capacity analysis complete). Work is ongoing and we continue to liaise regularly with local ports 	Philip Meikle	G
Use transport to drive innovation and business growth			
<ul style="list-style-type: none"> Joint work across all transport modes to identify opportunities for innovation areas including energy, fuels, digital mobility and the development of the Centre for Connected Autonomous Vehicles Collaborative work with tourism agencies to strengthen the offer for business and visitor tourism Collaborative work to develop supply chain and skills development programmes linked to transport and logistics 	<ul style="list-style-type: none"> Future Mobility Zone Project closed - DfT did not shortlist the North East FMZ proposition. The Airport is working with other members of the Northern Tourism Alliance, including DMO's and LA's on the Visit North East England project. NTA members are providing content for the new website and the Airport is driving traffic to the site via overseas digital campaigns The North East Freight Partnership's Skills Working Group engages with the logistics sector, training providers and other agencies to examine ways of addressing skills and labour shortages. Next meeting scheduled for November 2019 	Philip Meikle	G

Programme Risks

Risk Description	Cause description	Likelihood	Impact	Overall	Actions to avoid/reduce impact
Beyond 2020/21, funding for Metro Infrastructure renewals remains unconfirmed. Metro Infrastructure investment unfunded beyond 31 March 2021	Business Case submitted - still awaiting DfT / Treasury approval	M	H	MH	Continue to engage with DfT / Treasury. DfT Nexus Programme Board and direct communications.
Funding not available for new mobility interventions	No funding can be identified from internal or external sources to develop new mobility trials	H	M	HM	Continue to explore funding opportunities.
BREXIT - Nexus remain uncertain as to what time and cost impacts will result from BREXIT and what impact these will have on the affordability and programme delivery.	legal and trading position risk	H	H	HH	On-going dialogue being held with the DfT on risk mitigation and the project contingency includes an allowance for BREXIT risk
The outcome of the Oakervee review may significantly change the NPR project and how it serves the North East.	The Oakervee review into High Speed 2 could significantly affect the current NPR network being developed in partnership with TfN and DfT.	M	H	MH	Lobbying by TfN/ JTC and LEP already taken place.

Investment and infrastructure | Lead: Helen Golightly

Ambition by 2024

Through focussed and coordinated investments we will address market failures and competitive weaknesses. We will work with partners to quicken the pace and scale of investment across the North East, focusing on our business and infrastructure investment opportunities and needs. Opportunities for job and productivity growth on strategic employment sites, in town and city centres, along strategic transport corridors, in our culture and tourist hubs and in the rural economy will be prioritised.

What we will deliver	Progress update and current position	Lead	Progress Status
Manage the already secured North East LEP funding effectively			
<ul style="list-style-type: none"> Invest the £270m Local Growth Fund (LGF) grant into transport, infrastructure for strategic science parks and employment sites, plus skills and business growth activities Maximise the loan investment opportunity for the £55m North East Investment Fund (NEIF) Progress delivery of the 21 Enterprise Zone sites' infrastructure programme 	<ul style="list-style-type: none"> In quarter 2 all LGF programme key tasks set out in the Delivery Plan were achieved. Several projects have reported slippage of completion to quarter 4. Institute of Technology LGF application approved by Investment Board on 19 November 2019, alongside two Incubator Support Fund projects from University of Sunderland and Gateshead Council. LEP Board will receive an options paper in relation to LGF contingency plans to ensure programme spend targets are met. Commercial Property pipeline development ongoing. Procurement process for fund manager to be completed by summer 2020. Procurement of Evaluation Study underway, to be awarded by end of 2019. NEIF application received from a company in Northumberland [insert text following Investment Board]. One NEIF project completed early repayment, with one project in discussion about variation to repayment profile. BEIS Finance Committee provided conditional approval to release NEIF (RGF) programme obligations. Work ongoing to meet conditions by Q1 2020/21. New EZ reporting process implemented for Q2 19/20. Latest figures show an increase of 35 jobs on the EZ sites during 2019/20 (to September). LEP Investment Board have forward plan of Local Authority partners attending future meetings to update on site delivery progress and issues. LEP Executive Team due to present update on EZ sites to Developing Consensus 29 November 2019. EZ Applications for Royal Quays (Port of Tyne) and North Bank of Tyne (Newcastle City Council) are expected to come forward for decision by LEP Board in January. 	Helen Golightly	G
Coordinate partners to develop a regional project pipeline based on spatial economic priorities			
<ul style="list-style-type: none"> Produce a regional project pipeline based on agreed spatial economic priorities through effective partnership working with the two combined and seven local authorities, business and education partners and government 	<ul style="list-style-type: none"> Process and timetable for preparing an updated project list to be set out in line with the LIS proposition development Spatial narrative to be informed by the LIS propositions and pipelining work 	Helen Golightly	A
Secure additional investment into the North East			
<ul style="list-style-type: none"> Secure UK government funding linked to delivering the Industrial Strategy into the region Secure the notional allocation of European Structural Investment Funds into the region with partners Work with public and private sector partners to develop and secure funding for strategic projects 	<ul style="list-style-type: none"> Pipelining work for LIS underway with a series of propositions that will be included in the LIS submission to Government. Bishop Auckland and Blyth award capacity funding to support the development of Town Deals. LEP expected to be part of each Town Deal Board which are to convene early in 2020 and produce Investment Plan by the summer. Details awaited from Government on the UK Shared Prosperity Fund (UKSPF) Approximately 64% of ERDF funds are formally contracted (as at July 2019), alongside 58% of ESF and 28% of EARFD 	Helen Golightly	G
Increase access to finance for business to invest			
<ul style="list-style-type: none"> Effectively deliver the North East Fund Identify gaps and market demand for new business finance models Develop business finance mechanisms to meet the need of North East businesses 	<ul style="list-style-type: none"> £21.6m capital has been released to the funds for 132 investments. The number of different SMEs supported is good; with the Small Loan Fund getting back on track after a slow start, and the Innovation Fund supporting businesses through incubator programmes. Fund managers must ensure representation throughout the region, and marketing efforts centre on communicating in all local authority areas. Over £30m private sector investment against a total investment exceeding £40m. Review of the NEIF has involved North East Commercial/Industrial Property Market Assessment ongoing including an ex ante and development of appropriate pipeline. 	Helen Golightly	G

Programme Risks

Risk Description	Cause description	Likelihood	Impact	Overall	Actions to avoid/reduce impact
Underspend on 2019/20 LGF budget	Delays in approved projects	M	L	ML	Mitigated through temporary funding swaps strategy
Non compliance with National Assurance Framework	Failure to adapt to LEP review requirements especially on governance matters	L	H	LH	Necessary actions reported to Board and planned to be delivered by 31/3/20
EZ Business Rate Income is not sufficient to meet the capital financing costs for infrastructure works	Slow site development and/or lack of end user interest leads across all EZ sites leads to significant drop in Business Rate Income	L	H	LH	Ongoing dialogue with EZ site owners and increased scrutiny via Investment Board

Strategy, Policy and Analysis | Lead: Richard Baker

Vision Statement

The North East LEP will be recognised locally and nationally as an exemplar for driving evidence based economic strategy, public policy and programme delivery.

What we will deliver	Progress update and current position	Lead	Progress Status
Strategic Economic Plan (SEP) development and delivery			
<ul style="list-style-type: none"> Delivery of external interim evaluation over period 2018-2021 Establish processes for embedding lessons from monitoring and evaluation into LEP decision making Development and delivery of comprehensive SEP communications plan Prepare for next scheduled review in 2021 Secure alignment with other regional plans 	<ul style="list-style-type: none"> 2019-20 Evaluation Plan agreed and implementation on track for delivery of draft findings in January 2020. Evaluations for the a range of projects scoped to align with overall SEP evaluation. A number of projects identified as case studies which will illustrate implementation Programme monitoring data has been mapped and process for centralising is being developed through the programme managers office. Work has been progressed to access ERDF and ESF data Two workshops have now been held with LEP SMT and programme managers. This work will continue with programme managers meeting the point of co-ordination. SMT will receive draft findings for 2019/2020 in February 2020 Key products related to the SEP have been produced including the SEP, summary documents and a video. The SEP is now an organising framework for the LEP website and is featured in all key communications activity The evaluation and monitoring arrangements are in place and active with a full interim evaluation report due in 2021. The Board has considered the annual report findings for 2018-19 	Richard Baker	G
Local Industrial Strategy (LIS) development			
<ul style="list-style-type: none"> Agree and develop a vision and objectives for LIS Develop a robust and open evidence base Identify and develop core propositions Pursue dialogue with Government regarding the LIS propositions Delivery of the engagement plan. Ensuring that it is co-produced with government and partners, and according to the government time table Approval of the LIS, taking through the required governance mechanisms Manage the various governance mechanisms including LIS Steering Group, Working Group and papers that are required 	<ul style="list-style-type: none"> Informal discussion with Government has been ongoing throughout the LIS development process. Formal engagement on priorities and propositions will commence following the Election Process of accountability has been agreed, managed by the Working Group and Steering Group involving LA7 structures and finalisation at the LEP Board There is an active process of engagement with Government which is facilitating co-creation, and has enabled confirmation of the evidence base. The key next stage is to submit and confirm propositions which will commence following election 	Richard Baker	G
Economic analysis and commentary			
<ul style="list-style-type: none"> Provide timely, accurate and appropriate analysis of data Effectively communicate key messages from data using the most suitable mode of dissemination Develop new methods of accessing, collating, analysing and presenting data Identify opportunities to work with or provide guidance and training of other people 	<ul style="list-style-type: none"> Undertaken analysis of key data released over the last two months including labour market, business and trade statistics Continued to provide analysis to help inform the development of the Local Industrial Strategy Presented analysis of North East skills demand and supply to Skills Advisory Panel and a number of external audiences Undertaken initial scoping of topic for in-depth analysis in Our Economy 2020, to be discussed at next North East Economic Evidence Forum Issued monthly press releases on regional labour market statistics (October and November) Presented overview of digital sector statistics at launch of Digital for Growth Strategy Responded to ad hoc queries from colleagues and external contacts on a variety of topics including business base, innovation funding, labour market information, earnings, pupil destinations and digital skills Currently exploring potential sources of funding for developing a customised GIS system to improve decision making Working with partners to scope out use of technologies that could potentially aid the collation and analysis of existing data and to bring forward new sources 	Victoria Sutherland	G
Delivery of research and evidence programme			
<ul style="list-style-type: none"> Develop a centrally co-ordinated research programme Develop appropriate mechanisms to support teams and programmes to deliver high quality research and evidence projects Co-ordinate collaborative projects with NE Universities to support evidence development across LEP programmes Maintain the North East Economic Evidence Forum and continue to develop its role and remit Establish a research and evidence brand and presentation approach for findings 	<ul style="list-style-type: none"> Currently, in the process of developing a centralised programme of research, evidence and evaluation functions across programme teams. Initial model has been discussed by programme managers. Appropriate processes and mechanisms to deliver the centralised programme of research, evidence and evaluation are being scoped out with support from the programme managers The team are currently exploring different procurement mechanisms for research and evaluation i.e. university IAA. Energy team have recently met with Newcastle University to discuss possible funding mechanisms for energy related research. Durham University have recently confirmed their membership on the Evidence Forum. Communication strategy for sharing learning from research and evaluation activities is currently being developed. This is being developed as part of the next phase of the North East Data Hub. 	Emma Ward	G

Strategy, Policy and Analysis | Lead: Richard Baker

Vision Statement

The North East LEP will be recognised locally and nationally as an exemplar for driving evidence based economic strategy, public policy and programme delivery.

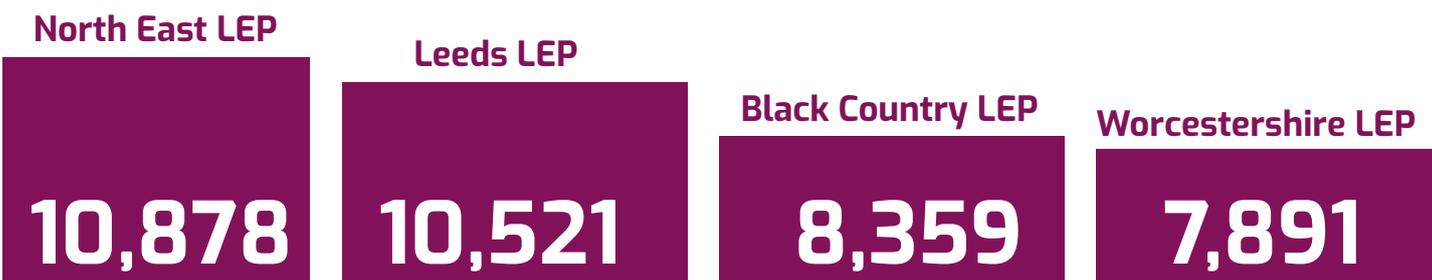
What we will deliver	Progress update and current position	Lead	Progress Status
Informing public policy in priority areas			
<ul style="list-style-type: none"> Confirmation of scope and activity of LEP public policy action Brexit monitoring and preparation Strengthen and co-ordinate engagement with the northern powerhouse and its constituent activities Support and promote approaches which can deliver enhanced devolution to the region to support the economy Move forward a co-ordinated approach to public policy and development related to infrastructure Monitor other parliamentary activities across the economic infrastructure agenda and develop agreed approaches 	<ul style="list-style-type: none"> The Brexit Group is the key additional structure which is in place a very active as a point of co-ordination. Other policy work is conducted with LA7 Economic Directors and other partners biltaterally. Monitoring of business perceptions continues through the Brexit Group and the Growth Hub Connectors. Intelligence informs the Brexit Toolkit online. Active monitoring and engagement is taking place and the LEP has visibility of and engagement with key Government processes and other Notrhen structures including NP11 and Convention of the North The LEP SMT are commencing a project to build further strategic assessment of this priority area. The Strategic Co-ordinator of NP11 will meet with SMT in November 2019 Active monitoring and engagement is taking place. The North East LEP is represented on the NP11 Board and is supporting work on energy. It is leading work on Innovation at Officer level and has inputted into Convention of the North work on skills. INEE is active in work on trade and investment. The regional transport team is active in the work of Transport for the north Resources have been identified to create a post to support work in this work. Recruitment commenced in September 2019, with the postholder to commence in January 2019 	Richard Baker	G
Energy for growth programme			
<ul style="list-style-type: none"> Maintain active regional governance and profile for energy Develop an active Offshore Energy Cluster to promote growth working with TVCA & other partners Develop the NE Energy Catalyst partnership and its programme of work Accelerate delivery of regional energy initiatives, linked to the BEIS Local Energy programme Engage actively with wider governance and political structures to embed Energy for Growth strategy Integrate Energy for Growth and its priorities with skills, business growth and innovation delivery programmes 	<ul style="list-style-type: none"> Energy for Growth Strategy launched online, LEP sponsored and took part in the CBI energy conference in October. Forward communications plan under development Offshore wind cluster structure spanning NE and TV now in place. Initial Management Group meeting to detemine development priorities took place during September. Energy Innovation Partnership Manager now in place and inducted through Innovation Super Network - Pipeline of projects being identified during October to December 19 Energy Innovation Partnership Manager developing a North East Energy Catalyst 'Programme Plan' providing structure of short, medium long term priorities and engagement principles. Next mine energy taskforce meeting took place in October attended by regional and national partners, agenda defined interventions needed to enable delivery, and potential routes to funding these interventions (e.g. NEYH hub). Part funding (£10k NEYH Energy HUB - Midlands HUB approached to provide match.) for a White Paper (on mine energy development) secured Rural Energy Officer in post. Synergies with local authority, combined authority and Borderlands priorities being explored. Initial Rural Community Energy Fund projects identified, 1 project secured funding, 1 to be assessed. Rural Energy Officer driving further pipeline development. Discussions held with Northern Powergrid regarding future of community energy in the North East Preliminary dialogue started with Northern Gas Networks and Northern Powergrid. Dialogue continuing Energy for Growth funding competition launched in the reigon, with up to £150k for 50% match funding of capital or revenue project development support. 8 projects shortlisted and reserve list developed. 2 Business cases submitted to LEP 	Andrew Clark	G
Digital programme			
<ul style="list-style-type: none"> Secure agreement from the North East LEP Board to a North East Digital Strategy Create a governance structure to oversee delivery of the work programme Develop an agreed communications plan to promote NE Digital development Develop and begin delivery of an active pipeline of projects to under themes: data; infrastructure and connectivity; creative production and application; and workforce 	<ul style="list-style-type: none"> Strong networks built through development of the digital strategy. Steering Group and delivery groups appointed. Two of four delivery group events scheduled in Nov and Dec 2019. Successful launch event held 3 October 2019, comms campaign underway. Overarching evidence base included in strategy launch event messaging. Theme-specific evidence bases to be further developed in advance of each Delivery Group inception. Workforce delivery group scheduled for 25 November. Data delivery group scheduled for 5 December. Infrastructure & Connectivity delivery group governance discussed with SMT. Collaboration and enterprise delivery group to be held in early 2020. 	Laura Partridge	G
Health and life sciences programme			
<ul style="list-style-type: none"> Working with the Steering Group refresh the project pipeline in the context of the evidence base and the aims and objectives of the Strategic Economic Plan and Local Industrial Strategy Health and life sciences eco-system development Develop an influencing plan to promote and develop NE Life Sciences development 	<ul style="list-style-type: none"> Katherine Forbes, new Health & Life Sciences Lead commenced in post on 16 September. Advisory structure in place (Health and Life Sciences Steering Group)Terms of Reference and Group Membership being reviewed Overarching evidence base reviewed in 2018 linked to update fo SEP and publication of Life Sciences brochure. Additionally, specific report on NE Advanced Manufacturing completed with First for Pharma, LEP and CPI in 2017. LEP contributed to NHS Science and Innovation Audit on Northern Life Sciences - completed in 2018 Evidence based being analysed for gaps in order to inform a longer term Economic growth stratgey for the sector. 	Katherine Forbes	G

Communications update

November 2019

Total followers		Followers increased by	Total reach		(Impressions in October)
Twitter	10,878	(+1.6%)	Twitter	41,129	
LinkedIn	5,485	(+4.9%)	LinkedIn	36,477	
since September					

Top performing LEPs on Twitter:



Top posts:

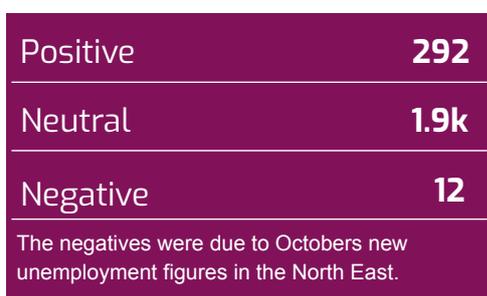
■ Paid ■ Organic

Twitter	Impressions	Engagement	Clicks	Retweets
The @loPNorthEast and @NorthumbriaUni are holding an event this Saturday for anyone who teaches physics, designed to enhance skills in engaging...	31,857	25	9	23
The North East has 2200 digital businesses. 95% are micros but the businesses that employ more than 10 people means that overall...	5,787	84	10	14
#DigitalforGrowth is the new digital strategy for the North East, bringing together partners to maximise growth and investment in the region...	5,340	104	9	15
LinkedIn	Reach	Engagement	Clicks	Likes
Could your experience operating in the voluntary and community sector support our plans for economic growth in the region?	2,119	8.4%	136	27
Could you help bring businesses and educators together to tackle some of biggest challenges facing the education sector?	840	7.8%	53	7
A ground-breaking new partnership has been established to unite the North East's leading energy innovation, demonstration and delivery capabilities.	1,656	7.5%	103	22

Mentions:



Sentiment:



Highlights:

The North East LEP launched the Digital for Growth Strategy at PROTO in October. The event was sold out and received excellent feedback and engagement on social media and from attendees.

Priority actions for the next two months:

Action 1:

Continue to lead on the communications and engagement work streams for the development of the North East Industrial Strategy.

Action 2:

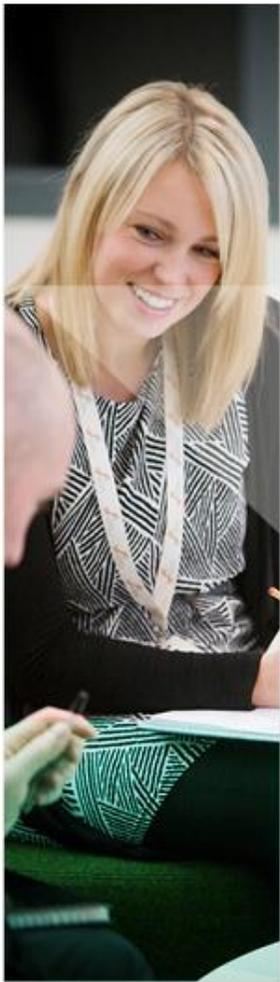
Evaluate the effectiveness of Brexit preparedness activity to date and use insight to inform phase two in the run up to 31 January.

Action 3:

Procure a new digital supplier - following on from our meet the buyer event, we will review the feedback to inform final specification with a view to appoint on 6 February.

Website performance summary:

Audience		Top five news pages	
			views
Visitors	7,123	/news/north-east-energy-catalyst	852
Total page views	45,304	/news/voluntary-and-community-sector-member-required	589
Average session duration	2m39s	news/north-east-local-enterprise-partnership-seeks-digital-partners	481
		/news/north-east-lep-ap-points-new-health-and-life-sciences-lead	271
		news/bringing-careers-strategy-into-reality	237
Traffic source		Top five pages	
	views		views
Organic	3,339	Home	7,970
Direct	2,581	The-plan	2,436
Social	1,056	About/-executive-team	2,203
Referral	266	Projects	1,836
Email	43	About	1,776
Other	1		



North East

Local Enterprise Partnership



Info@nelep.co.uk



uk.linkedin.com/company/north-east-lep



0191 338 7420



www.northeastlep.co.uk



[@northeastlep](https://twitter.com/northeastlep)



1 St James Gate,
Newcastle upon Tyne,
NE1 4AD



DATE 28 November 2019

ITEM 5: Innovation Programme Update

1.0 Introduction

1.1 The Innovation Programme has made progress in delivering strategic priorities over the last year and the North East LEP has been working with partners across the region to prepare a new 'Delivery Framework' for the programme.

This will set out the key activities being used to achieve the Strategic Economic Plan and support the Local Industrial Strategy. This responds to a context of increased national competitions for public funding for innovation and a challenging environment for private sector investment.

To increase the likelihood of securing increased innovation investment, we are working with partners to prepare key projects and programmes in advance of funding calls. We are also supporting partners to create more sophisticated delivery partnerships to pinpoint investment priorities and opportunities. These will be challenge led and will allow better alignment to the national Grand Challenges approach.

To deliver this we:

- have developed a pipeline of key regional innovation projects and are supporting their further development
- supported the preparation of a clearer narrative around innovation in the North East
- have led the creation of an updated business growth model and programme (anticipating a post ERDF landscape and a potential UK Shared Prosperity Fund)
- progressed the preparation and facilitation of a new approach to regional innovation-led economic development through proposed Innovation Delivery Partnerships.

This report provides an update on these activities.

1.2 In addition to the overarching update to the Board, this paper sets out the pipeline of the key regional innovation projects which have been prioritised through an extensive process. The Board is asked to endorse these projects as our regional priority innovation projects.

2.0 Innovation Programme Delivery Framework

2.1 Innovation is a frequently misunderstood activity in economic development. Activity can focus narrowly on technology or STEM activities. While these are a crucial component to innovation activity, successful innovation hotspots ally a deep understanding of the opportunities afforded by research with a strong pipeline of talent, easily accessible finance, the right infrastructure and a powerful cluster of supportive and competitive businesses. To compete, our ecosystem needs to be among the best in the UK. While we have considerable assets, experience and capability, activity remains too fragmented. There is a need to better coordinate and prioritise activity in the region and focus on interventions that can best support innovation and create more and better jobs.

The Innovation Programme Delivery Framework aims to better coordinate our collective activity and will set out an authentic approach to innovation in the North East (building on our assets, capabilities and our unique regional personality) and it will set out three programmes to catalyse and focus our approach, addressing the main delivery areas where opportunities or barriers have been identified. Delivery to date is set out in the following sections of the report. Each of the programme sub-sections are focused on a particular area of the ecosystem to be enhanced.

- The Places to Innovate Programme concentrates on the assets base and facilities necessary to enable ideas to be developed and commercialised. This is not limited to the physical building or equipment but includes the wider support required to make it successful. These projects are be standalone projects of scale.
- The Innovation Business Growth Programme is being developed jointly with the Business Growth Team within the Growth Hub 2 proposal. This aims to provide businesses and organisations with access to the resources, advice and guidance to start innovating, increase innovation activity and adopt new approaches
- Innovation Delivery Partnerships (IDPs) are a proposed governance approach and structure to bring together cross-sector and cross-organisation activity in distinctive areas of opportunity for the North East. IDPs will look to accelerate business growth based on research and innovation through clustering, develop a ready and skilled workforce and lever in investment and appropriate access to finance

Innovation Programme

Places to
Innovate
Programme

Innovation
Business
Growth
Programme

Innovation
Delivery
Partnerships

- 2.2 The Delivery Framework will sit beneath the Strategic Economic Plan and Local Industrial Strategy and will outline in greater detail the main delivery activities to increase the number of innovation active businesses and the level of investment in research, development and innovation set out in the Strategic Economic Plan.

The Framework is intended to provide greater clarity on priority areas and an improved narrative around innovation. It will provide a single, accessible explanation of the programme for partners and to engage with central Government, InnovateUK and other potential supporters and investors.

3.0 Programme to Date

- 3.1 The development of the Framework to date has included a series of related tasks which are due to be drawn together into a full single document in Spring 2020 for launch in April. The main activities so far are:

- Reviewing and developing a narrative around innovation in the North East
- Creating strong proposals for funding bids with partners and the development of a medium-term pipeline of innovation projects
- Progressing the development for Innovation Delivery Partnerships (IDPs)
- Preparing a new, shared business growth programme incorporating innovation into the Growth Hub 2 proposition.

- 3.2 These activities have incorporated widespread engagement and consultation with partners in the North East, external and national experts and independent consultants. This has resulted in a broad input into the resulting model and approaches.

This paper sets out the progress made in each of these specific areas.

4.0 Project Development and Prioritisation

4.1 Due to the increasingly competitive and nationally-focused investment programmes for innovation funding in the UK, well-developed projects are essential to attract funding. To increase the likelihood of success for North East projects, we have worked with partners to apply for current funding streams, primarily Industrial Strategy Challenge Fund, European Regional Development Fund and Strength in Places funding by building partnerships to focus on fewer, stronger propositions.

LEP supported partner workshops has led directly to a high rate of success in the first wave of Strength in Places Funding. Of the four projects submitted from the North East, three were successfully shortlisted, although one (PRISMS) has since joined another project submitted in the wave 2 competition. This has resulted in the Centre for Sustainable Advanced Manufacturing (CESAM) bidding for £26.845m and the NE-Chain bidding for £ 24.8m submitting detailed proposals at the second stage. UKRI received over 100 bids into the Expression of interest phase. Both CESAM and NE-Chain were selected alongside 23 other proposals for se

ed corn funding from UKRI to further develop full business cases. 4-8 projects will be selected for full funding. A decision is expected in April 2020.

4.2 This approach has been accompanied with two further activities with a longer-term ambition. The Pipeline Prioritisation process which was introduced to the Board on the 27th September 2018 as part of the proposed programme for 2019 and the continued call process for the Innovation Project Development Fund which was approved by the Board on the 28th September 2017. The Pipeline Prioritisation process is set out in the next section.

The Project Development Fund has drawn on Local Growth Fund to support project development for strategically important projects for more competitive bids. To date seven projects have been approved through this route with a further 12 currently in appraisal in advance of the close of the final recent call.

Projects supported to date include:

Project Title	LEP support
Centre for Sustainable Advanced Manufacturing <ul style="list-style-type: none"> Shortlisted a £26.845m bid to Strength in Places 	£115,000
Driving the Electric Revolution <ul style="list-style-type: none"> University of Newcastle, CPI and Sunderland City Council are preparing a bid to centre national activity in the North East from a £46.5m Industrial Strategy pot 	£247,000
International Centre for Connected Construction (IC3) <ul style="list-style-type: none"> Broad consortium co-ordinated by Northumbria University EOI submitted to Strength in Places fund wave 2 	£100,000

<p>Centre for Chinese/UK Digital Business Development</p> <ul style="list-style-type: none"> • Proposal being developed between Sunderland Software City, Digital Catapult North East and Tees Valley and TUS park 	£76,800
<p>National Centre for Rural Innovation</p> <ul style="list-style-type: none"> • Proposal being developed broad consortium led by Innovate NE and Advance Northumberland 	£57,102
<p>Satellite Applications Catapult North East</p> <ul style="list-style-type: none"> • To consider the next steps for the Satellite Applications Catapult present in the North East 	£40,000
<p>North East Festival of Creativity and Innovation</p> <ul style="list-style-type: none"> • To develop the proposal for a North East Festival of Creativity and Innovation building on the GX festival 	£50,000

5.0 Pipeline of Prioritised Projects

5.1 The prioritised pipeline of strategic innovation projects was introduced to the Board at the meeting of the 27th September 2018 as one of main tasks related to the Innovation Programme for 2019. The pipeline has the dual purpose of enabling greater collaboration on projects to achieve success and to initiate a clear and systematic approach to project development based around the HM Treasury Green Book approach.

There is no direct funding available as part of this process, although project have been eligible to apply for project development funding as part of the wider competitive process. The engagement is intended to result in higher quality projects which have a greater likelihood of success for competitive investment and support the development of business plan to lever private sector investment.

If partners have developed “oven ready” projects, proposals will be robust when calls open, partners can lobby government to open aligned funding calls and detailed dialogue can commence with potential private sector investors.

5.2 The pipeline process has been open and competitive with an invitation for proposals during summer 2019 and an initial appraisal undertaken by a small task and finish group. The recommendations were reported to the Innovation Board on 19th July and the 23rd September to establish the attached pipeline. The Innovation Delivery Board recommend the main Board to endorse these projects.

The task and finish group included representatives from the Innovation Board, North of Tyne Combined Authority, North East Combined Authority and North East LEP team. The group reviewed the proposals in detail to prepare the prioritised approach presented to the Innovation Delivery Board. The Innovation Delivery Board also received all the project information sheets as well as the proposed paper in order to challenge and confirm the emerging pipeline.

5.3 Through this review process the projects could be clearly categorised into three ‘types’ of project which matched the further development of the Innovation Programme. This resulted in projects grouped as:

- **‘Places to Innovate’** – those stand-alone projects with a significant capital element intended to provide additional facilities for innovation
- **‘Business Growth’** – where the activity was largely revenue and targeted at directly supporting businesses to innovation
- **‘Innovation Delivery Partnerships’** – the detail of which is set out in more detail below.

The proposals were also considered according to their strategic impact and readiness in three ‘waves’. Projects which were expected to have the largest strategic impact and/or which were most closely ready for delivery were considered to form the wave 1 projects.

Projects in waves 2 and 3 were assessed and require further development. The focus of the Innovation Delivery Board future meetings will rest on the wave 1 projects and will look to support wave 1 priority projects and receive closer, more regular and intensive support.

- 5.4 The projects will not automatically receive LEP investment, although they will be eligible for any competitive funding launched and have already shown strong strategic fit to the Strategic Economic Plan. The projects will benefit from additional non-cost support and engagement as part of the project development, increased prominence and promotion and focus from the Innovation Delivery Board to stimulate development and consider solutions to overcome challenges.

This approach will be led through a quarterly monitoring and update process. This uses a simple self-reporting toolkit and accompanying guidance (based on the HM Treasury Green Book approach) to prompt and support development work. The process is intended to be supportive, challenging and simple to complete. The updates will then be collated and reported to the Innovation Delivery Board at each quarterly meeting with specific, in-depth, consideration when required.

- 5.5 The initial focus for delivery is on the Places to Innovate Programme, Wave 1 projects (the Priority Projects) which includes:

- Connected and Autonomous Logistics Testbed “CAV” (North East Automotive Alliance)
- Energy Systems Hub for Innovation and Engagement – “ESHIE” - at InTEGReL (Newcastle University)
- XR Futures (Gateshead Council)
- CESAM (Sunderland City Council)
- Global Sustainable Solutions Centre (Procter and Gamble)

The full pipeline across the three waves and three categories is included as Appendix 1.

The priority projects can, and are expected to, shift up and down the ‘waves’ as they develop, as well as the expectation of new projects joining the list and others leaving it, either due to completion or due to lack of progress.

The initial focus on the ‘Places to Innovate’ aspect reflects both the generally more developed nature of these projects and existing funding competitions, such as Industrial Strategy Challenge Fund and Strength in Places Fund which these can bid into.

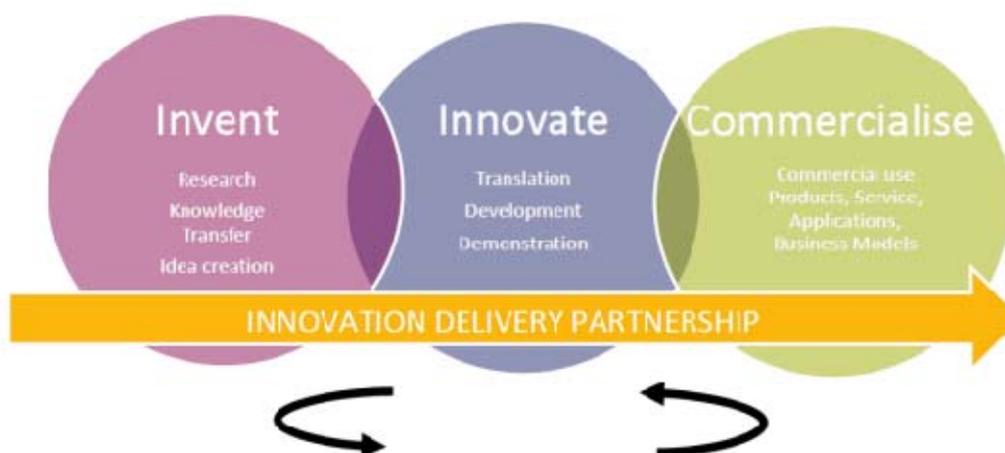
6.0 Innovation Delivery Partnerships

6.1 Innovation Delivery Partnerships (IDPs) have the potential to form the core of a new approach to innovation co-ordination in the North East. The partnerships are intended to bring together key actors who are working on market leading, niche areas. These niche areas are of significant market opportunity and areas of regional capability and potential.

Innovation Delivery Partnerships would come together to curate and support the development of ecosystems that support regional growth, allow businesses to accelerate their capability to bring new products and services to market quicker and ensure a pipeline of talent.

6.2 While partners do collaborate well in the North East, Innovation Delivery Partnerships will look to allow the region to take a step change in our ability to develop competitive competency clusters that focus on joint delivery.

Using the quadruple helix model (bringing together business, research/academia, public sector and citizens/users), Innovation Delivery Partnerships seek to respond to niche opportunities for growth in a more systematic and joined-up way with an established partnership of the main stakeholders. This is simplified in the figure below



The partnerships will be cross-sector and driven by developing new ideas to deliver commercial and social benefits. These partnerships are explicitly expected to work across the different stages of an innovation cycle supporting idea generation, the test, demonstration and development of the idea, and the commercial/social roll-out.

Innovation Delivery Partnerships will focus on regional economic growth but can bring in out-of-region partners in the evolving IDP governance structures if required. IDPs would not be LEP-led but partners would jointly develop a single point of co-ordination and contact for activity in the region. Likewise, partners would look to jointly resource capacity to develop, and progress joint IDP work plans and delivery.

IDPs will be challenged to support and curate a broader approach to supporting growth in each cluster than focussing on knowledge exchange. This would include looking to develop a skills pipeline of talent, unlocking access to finance and supporting development of supply chains and business to business activity.

The focus of individual IDPs are being developed and will need to be refined with the partnerships through a development process. The existing pipeline prioritisation process

(Section 5) has led to the identification of areas of capability and ongoing activity where an emerging partnership is in place. These partnerships can form the basis for developing a pilot phase for IDPs to confirm the practicalities of the approach in advance of a further phases.

- 6.3 To support the development of this model, the LEP commissioned Unconventional Connections to undertake an initial scoping exercise seeking to develop the proposition further. In undertaking the commission, Unconventional Connections both collated the emerging thinking around the model and tested this out with a range of national and regional partners to understand the level of ambition and support for the proposition.

Clear support for the approach was found as a route to bringing together the different partners and recognising the potential for regional-level engagement to provide an ideal area for action - large enough to demonstrate impact and specialism but also small enough to build strong relationships.

- 6.4 The next stage of development of IDPs will be to test the model with partners and work up a small set pilot IDPs based on significant niches present in the North East. Once identified and established these partnerships would need to seek initial funding to maintain progress and achieve delivery. While this is something the LEP is not currently able to financially support, IDPs would need to draw on other funding sources available such as Strength in Places, ERDF and the proposed future UK Shared Prosperity Fund. The development and roll out of the Innovation Delivery Partnerships is currently intended to be included within the Local Industrial Strategy as a core task in the Ideas section.

- 6.5 Additional areas for potential Innovation Delivery Partnerships will be sought through an open and competitive process; however, the Board may wish to see an initial focus in the pilot phase on those areas identified through the wider project pipelining process set out in Section 5. These will require refinement through the pilot phase to ensure these operate at the appropriate level and partners are supported

- 6.6 Areas that have emerged through the pipeline process (the full list is in appendix 1) include:

- Ageing innovation
- Driving the Electric Revolution – Power Electronics, Electric Machines and Drives
- Connected Construction – iC3
- Battery Materials and flexible batteries manufacture
- Sustainable Energy/Heat - Mine Energy
- Smart Ports
- Water resource management - Water Hub
- Healthcare Photonics
- Novel Electronics for IOT

The proposed next steps for developing the model are therefore to:

1. Investigate the potential legal and governance structures for the partnerships
2. Work with partners to refine the proposal through a facilitated workshop

3. Initiate the pilot phase with a limited number of IDPs over the next 12 months. The precise focus of these will be confirmed through the development process but will draw on the list above based on those areas assessed to hold the most initial promise and strategic market importance. This would include ageing, batteries and the electric revolution, connected construction and sustainable heat/minewater geothermal. This would accelerate the process but would include the opportunity for a later, targeted open competition for additional partnerships. subject to the outcome of the pilot process.
4. Engage with evaluation and benchmarking support to ensure the pilot process is robust and challenging
5. Continue to develop a financial approach to the partnership which attracts partner investment alongside other resources.

The Board is asked to note the Innovation Delivery Partnership model development and proposed approach to the next steps.

7.0 Business Growth Model

- 7.1 The third strand of activity contributing to the Innovation Delivery Framework is the development of a joint business growth and innovation ecosystem model. This pre-empted future revenue programme support as part of the Growth Hub 2 and anticipated future funding routes.

This approach has been taken to reduce duplication and overlap of activity and ensure a more coherent programme can be proposed for future funding. Due to the breadth of existing provision and number of delivery agents the approach has brought together partners to inform priorities, consider gaps and best practice and make indicative proposals for prioritisation for resource allocation.

It is important to note that no priorities have been set but is informing development. It has also ensured that partners are part of the change from the start and are engaged in advance of the second phase moving towards delivery.

- 7.2 To support this process, Adds Specialists have been engaged to review best practice, map the current system, develop a new aligned approach and facilitate sessions. The Business Support provider network and the Innovation SuperNetwork partners have been closely involved through a series of sessions alongside an Expert Panel including central government colleagues and the Innovation Delivery and Business Growth Boards.
- 7.3 A fuller report on this model will be presented to Board in early 2020 following finalisation of the report and further consideration of prioritisation and outputs.

8.0 Next Steps

- 8.1
- To complete the first quarterly round of project monitoring to update the Innovation Delivery Board
 - Complete the appraisals and approvals for the current (most likely final) round of Innovation Project Development Funding
 - Complete the Innovation Delivery Partnership model development and launch process to identify and develop pilot projects
 - Complete the Business Growth and Innovation model study by considering key

performance indicators and outputs, relative financial investment levels based on real-world uptake potential.

- To progress work with priority project partners

9.0 Recommendations

9.1 The Board is recommended to:

- Note the progress on the Innovation Project Pipeline Prioritisation and the ongoing approach to monitoring and development
- Endorse the prioritised pipeline of projects (as set out in 5.5 and Appendix 1)
- Note the development of the Innovation Delivery Partnerships model
- Endorse the process for completing a pilot for developing a first tranche of Innovation Delivery Partnerships in line with the themes set out in 6.6 but with scope to invite other partnerships to join the approach
- Note the emerging Business Growth and Innovation model

Appendix 1 - Innovation Project Pipelining and Prioritisation December 2019

	Places to Innovate Programme Projects	Innovation Growth Programme	Innovation Delivery Partnerships
Wave 1	<p>004 - Connected and Autonomous Logistics Testbed “CAV” (North East Automotive Alliance)</p> <p>010 - Energy Systems Hub for Innovation and Engagement – “ESHIE” - at InTEGReL (Ncl Uni)</p> <p>015 - XR Futures (Gateshead Council)</p> <p>020 – CESAM (Sunderland City Council)</p> <p>021 – Global Sustainable Solutions Centre (P&G)</p>	<p>007 - Northern Accelerator (Durham University)</p>	<p>001 - Mine Energy North East (Durham University)</p> <p>002 - North East Smart Ports Testbed (Satellite Applications COE)</p> <p>005 - International Centre for Connected Construction - “IC3” (Northumbria Uni)</p> <p>011 - Developing the ageing innovation ecosystem in the North East (National Innovation Centre for Aging)</p> <p>019 - Driving the Electric Revolution – “DER” (Sunderland City Council)</p> <p>024 - Battery Materials and flexible batteries (CPI)</p>
Wave 2 (Acceleration)	<p>006 - Northern Centre for Surfaces and Interfaces (Durham University)</p> <p>013 - National Innovation Centre for Rural Enterprise (Newcastle University)</p> <p><i>018 - Clinical Skills Centre (AHSN- North East and North Cumbria) (recommended to link with XR Futures)</i></p>		

<p>Wave 3 (Development)</p>	<p>016 - Great North Care Record (AHSN – North East and North Cumbria)</p> <p>025 – National Centre for Characterising the Nutritional Phenotype – “RCNP” (Northumbria University)</p> <p>026 -Advanced Manufacturing: Intelligent processes and smart materials (Northumbria University)</p>	<p>009 - Intensive Industrial Innovation Programme (Durham University)</p> <p>012 - Great Exhibition of the North - Legacy Programme</p>	<p>003 - Niche Managed Communication Services (e2E)</p> <p>008 - Water Hub II (Durham University))</p> <p>017 - Evaluation Centre (AHSN – North East and North Cumbria) <i>need to link to Ageing proposition</i></p> <p>022 - Healthcare Photonics (CPI)</p> <p>023 - Novel Electronics for IOT (CPI)</p>
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Annex 2 Places to Innovate Priority Project Summaries

InTEGReL

InTEGReL is a fully integrated whole energy systems development and demonstration facility, providing space for industry, academia, SMEs and government to come together to explore and test new energy technologies, strategies and processes which bring transport, electricity and gas into one place.

The initiative creates a first-of-a-kind facility exploiting, and significantly enhancing, the existing co-location of; an electricity distribution system, a gas distribution hub and a gas distribution system control room. Through collaboration with industry and academia, InTEGReL is breaking down traditional barriers between gas, electricity, water and transport sectors to better utilise their assets to deliver a more secure, affordable, low carbon energy system.

CESAM

CESAM will be the focal point for advanced manufacturing innovation in the North East of England. It will provide an open access facility which draws upon the innovation eco system across the UK and beyond. It will enable companies to test, develop, proto-type and scale up digital and manufacturing processes in a realistic industrial environment.

CESAM will develop both test and demonstration facilities and training facilities. CESAM will help companies overcome barriers to innovation, reduce cost and risk; and provide timely delivery of solutions which are proven to industry standards. CESAM will also provide the interface between industry and regional academia; embedding business challenges into research, teaching, learning; and enabling students to work on real-life projects, thus supporting the transition towards a high skilled, high value UK and North East England economy.

XR Futures

XR Futures is an ambitious programme that will position the North East as a globally significant centre of excellence for immersive technologies. It will move the potential of immersive technologies from disruptive to transformative with the North East leading the way. The North East has in recent years witnessed the launch of Europe's first and only industry-led immersive technology cluster, which includes several companies operating on a global scale. This smart specialism within the local digital sector provides the platform for XR Futures which will capitalise on the region's unique strength in the sector and launch the North East as global leader.

The project will have several large-scale infrastructure developments at its heart, including an unrivalled studio facility for immersive content creation, an immersive visitor attraction for the public, incubation and move on facilities for businesses to develop and grow as well as office accommodation for larger employers. XR Futures will also support the roll out of digital infrastructure, creating a living lab for immersive experiences in public spaces. In addition to the infrastructure developments, XR futures has programmes that focus on people, place, innovation and business environment. These pillars are all intrinsically linked and will support innovation right across the regional economy reflecting the foundations of the UK's Industrial Strategy.

UK Centre of Excellence and Testbed for CAVL

To maintain UK manufacturing competitiveness, it is imperative to provide operational efficiency improvements for the UK manufacturing sector. It is recognised that Connected and Autonomous Vehicles for Logistics (CAVL) has the potential to provide significant cost benefits to UK manufacturing. This proposal builds upon initial work by the NEAA and key partners, including Nissan, Fergusons Transport, Vantec and Unipres to understand the technological advancements in automated logistics needed to remain competitive.

The vision is to develop a centre of excellence and testbed for Connected and Autonomous Vehicles for Logistics (CAVL), which builds upon the UK CAV Testbed ecosystem and utilises the unique assets of the North East's road transport sector. This will provide a unique facility and focal point for Industry, Government and Academia to design, develop, validate and trial automated logistics solutions.

Global Sustainable Innovation Centre

The North East has a prime opportunity to take a global lead in user-led design of formulated and structured products that solve big global sustainability issues like waste recycling, resource availability & renewable materials. This builds on industrial and academic foundations across formulation, process industries & biotech including enzymes. The sector is ripe for transformation through digitally enabled creation of sustainable, customised, high value products for consumers and other end users. This needs a step-change in digital, prototyping & design-led innovation.

The North East has many of the elements required to lead this digitally enabled revolution in product design across large industry, smaller technology providers, universities and UK Catapults. However, today these are not fully connected and co-ordinated in a way that industry can leverage, to create next generation sustainable, customised products end users will buy. The proposed Global Sustainable Solutions Centre would catalyse this industrial transformation. The Centre would combine new/upgraded facilities with a collaborative network of partner labs and capabilities across the region. The Centre would complement, connect to and amplify existing assets in the region across universities, CPI and industry, and other new innovation proposals (e.g. Northern Centre for Surfaces and Interfaces proposal focused on characterisation and understanding of products and processes). It maps onto the LEP priority of converting the strong research capability of the NE into meaningful economic impact via creating strong Innovation Development Partnerships.

28 November 2019

**ITEM 7: A Manifesto for the North and NP11
Update**

1.0 Purpose of paper

- 1.1 There has been significant activity around the 'Northern Powerhouse' agenda throughout 2019.

This paper aims to provide a short briefing to the Board about the approval and publishing of a *Manifesto for the North* in November 2019, and about the priorities and next steps for the NP11 partnership.

These developments reflect and provide a new and developing context for the delivery of the priorities set out in the North East Strategic Economic Plan, working in partnership with other partners from across the North of England on targeted interventions.

2.0 Background

- 2.1 In June 2018, during the policy programme which featured as part of the Great Exhibition of the North, the Minister for the Northern Powerhouse, Jake Berry MP, and the 11 Northern LEP Chairs announced the creation of NP11 as a platform for LEP co-ordination to take forward joint work to promote economic improvement in the North of England.

He also indicated that Government were to review and update the Northern Powerhouse strategy with priorities including strengthening the global reach of the north, internal connectivity, improving co-ordination amongst economic partners and preparing the ground for further harnessing local leadership through devolution.

This has taken place at a time when Transport for North (TFN) has led the development of its Strategic Transport Plan, agreed in January 2019.

3.0 The NP11

- 3.1 Since these announcements, the eleven Northern LEP Chairs have formed into the NP11 Board chaired by Roger Marsh, Chair of Leeds LEP, and have taken a number of steps to move forward a programme of action at pan-northern level focused on key economic opportunities, and to enhance communication and partnership working with other

Northern institutions.

The work has been guided by the Northern Powerhouse Independent Economic Review, published by Transport for the North in 2016 as an economic evidence base designed to underpin the Transport Plan, but with much wider relevance to economic priorities in the region.

Priority workstreams are:

Clean Growth: A comprehensive overview of energy and clean growth assets has been produced and discussed at the NP11 Energy Conference held in Hull on November 5 and 6th. It identifies the North's strategically important role in offshore wind, new nuclear, CCUS and hydrogen and highlights how new investment and co-ordinated action from the NP11 can deliver significant low carbon energy growth to:

- Reduce the North's carbon emissions by 50% by 2032 against 2005 levels
- Add £2bn per year to the energy economy in the region by 2050
- Add 100,000 new green jobs by 2050

The full report is available at: <https://www.np11.org.uk/2019/11/north-of-england-to-make-huge-contribution-to-uk-net-zero-targets/>

Trade and Investment: Work has been taken forward between the NP11, Department for International Trade (DIT) and other partners to develop proposals for a new partnership approach to strengthen trade and investment activity in the North.

Innovation: Building on a number of Science and Innovation Audits produced across the North of England and the development of a joint innovation evidence base between the 11 LEPs' Innovation leads and Innovate UK, work is underway to develop proposals for a roadmap to achieving the 2.4% R&D target. The framework will include joint action to:

- Joint piloting of activity to strengthen innovation diffusion and adoption in the business base
- structure a Northern Innovation Challenge programme aiming to catalyse acceleration of responses to identified northern innovation challenges
- identify opportunities for strengthening pan-northern innovation partnerships in key areas where R&D assets are distributed across the North linked to the Prime Capabilities identified in the NPIER.

This will be facilitated through sharpening of co-ordination and collaborative leadership and a longer-term priority will be to review the delivery eco-system supporting northern innovation, including the role of

UK agencies.

Supply chains: Work has commenced to identify opportunities to target the strengthening of supply chains in the north and to identify opportunities to broaden engagement in global value chains.

4.0 The Manifesto for the North

4.1 In the context of the Government's plans to update the Northern Powerhouse strategy a further action has been to develop a joint manifesto setting out an agreed set of Northern priorities aiming to shape Government's approach.

On 13th September 2019, alongside hearing presentations and speeches from a range of different Northern Voices, and from the Prime Minister, the delegates attending the second Convention of the North meeting held in Rotherham and debated 6 policy papers which had been developed by different groups of partners. These covered:

- Clean Growth
- Education, skills and work,
- Housing
- Innovation
- Transport
- Trade and investment

Following the Convention these papers have been refined and drawn together into the first Manifesto for the North which was published jointly by the Convention of the North and the NP11 shortly before the commencement of the formal General Election campaign, securing significant coverage in the regional and national press. This document has aimed to ensure that there is a clear focus on the North and regional policy more general as part of the Election Debate.

The Manifesto is available at: <https://www.np11.org.uk/manifesto-for-the-north/> and appended for ease.

5.0 Looking Forward

5.1 The result of the General Election will be a significant context for the next steps in this work, however the Manifesto provides a platform for a pro-active discussion with the new Government and preparations are being made in this respect.

The North East LEP is playing a full role in this work at Board level through the Chair, in facilitating work through the NP11 Chief Executives, and also in the context of the individual workstreams. We

contributed significantly to the content of the energy report and have been leading the workstream on innovation, as well as supporting the team at Invest North East England in the Trade and Investment workstream.

The LEP has also been represented on the Steering Group for a forthcoming review of the NPIER and is working with colleagues in TFN and other LEPs on this, and on the early stages of the Supply Chains' workstream. This will provide an opportunity to revisit economic data at the scale of the north in the context of current economic conditions and to update findings and narrative.

A presentation on the approach to the NPIER review was made by TFN to the North East Economic Evidence Forum earlier this year.

6.0 Recommendation

6.1 The Board is asked to:

- 1) Note this update
- 2) Comment on the emerging priority themes and next steps

A Manifesto for the North



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Introduction

The Convention of the North with NP11 met in Rotherham on 13 September 2019 for the biggest ever gathering of Northern Leaders drawn from Northern Stakeholders including; Councils and City Regions, Youth Parliaments, businesses, Local Enterprise Partnerships, Universities and voluntary sector organisations across the North.

It is now an annual event, taking place in the second week of September, after the Trades Union Congress, and just before the main party conferences. Next year it will be in Liverpool.

The aim was to create a unified voice, to set out for ourselves and for Government the future we want to see for our North. This confident, proud region, whose population comprises a quarter of England, was the birthplace of the original Industrial Revolution and will be the crucible of the Fourth, but unlike the first, this will be sustainable.

Over a thousand people came together in the Magna Centre, a former steel mill in South Yorkshire, for a positive and constructive debate about what should be in a Manifesto for the North.

We heard from a range of northern voices, starting with our young people. The common thread was our northern pride and our determination to create and own our northern future.

All the political parties will want to pitch to the North. This document sets out the direction that the North intends to take. We would like Government to work with us on this, that will certainly help us to achieve our ambitions faster. There is much we are already doing, and more we can do, to shape our own future. That's because we own our agenda.

Our Assets



Distinct economic and industrial strengths, and the capabilities outlined in our Northern Independent Economic Review.



Strong sense of identity, rooted in a culture that celebrates our individual places and our common northern heritage.



Proud people, with a reputation for endeavour, wit and grit, and communities which embrace inclusivity and diversity.



Phenomenal natural assets, with nearly half of England and Wales' national parks, and a stunning coastline.

Our Principles



Working together at Northern level where this makes sense for our region, but at the same time enabling our distinct towns, counties, and city regions to shape their own places, recognising that the whole is greater than the sum of its parts.



Devolution of power and decision-making to and within the North, so that initiatives are developed with the North, rather than for the North.



Actions, not just words. The North getting on with the job and taking ownership of its future.



A positive vision of how the North can lead the way in growing an inclusive economy for all our people and the country. Powering up the North and all of the UK is the way to improve the country's economy and living standards.

Voices of the North

5

game changers for the North

For the North to be successful and achieve the potential set out in the Northern Powerhouse Independent Economic Review, we have identified five game changers:

#1

Local control of education and training, skills provision that is systematically connected to the North's businesses and growth needs, underpinned by the increased funding required to create opportunity for all our people.

#2

A commitment to rebalancing the economy as a formal HM Treasury objective, delivering transformational investment to power up the North, a formal commitment to rebalancing in the Green Book, and Office for Budget Responsibility measurement of progress towards this objective.

#3

A transport budget for the North, enabling full delivery of the Transport for the North plan and supporting the devolution of control and shared accountability for the region's rail network.

#4

Ownership of, and freedom to lead, investment and trade activities to drive export led growth, with a greater scale of investment to level up the North's export and inward investment activities.

#5

Backing the North to lead the green industrial revolution, harnessing and investing in its prime capability in renewable energy, decarbonising industry, retrofitting existing housing stock and building new homes to the highest standards.





Our Policies



Clean Growth

Context

- The North is the UK's energy powerhouse, generating 41% of England's electricity. It can, and should, lead the transition to a zero-carbon economy.
- Places across the North have set themselves ambitious carbon reduction targets and are committed to reform.
- The North has key opportunities, strengths and expertise around renewable energy generation, storage, and low carbon technologies and processes. It can lead on energy production, energy efficiency and smart energy management.
- Carbon emissions remain high, primarily from heat for buildings, energy intensive processes and private transport, but the North's industries are world leading on carbon capture, use and storage. There is opportunity for businesses to collaborate to improve smart energy use, tackling the challenge of lowering emissions whilst remaining competitive.
- The North's energy industries are well placed to lead on replacing natural gas heating and carbon intensive transport fuels with biofuel or hydrogen-fuelled heating.
- Fuel poverty is higher in the North, and more of the housing is old and fuel inefficient. Retrofitting these homes would have a profound social and economic impact.



The North will lead a new green Industrial Revolution.



The North has the opportunity and ambition to:

- **Pioneer zero-carbon energy**
Build on its diverse energy strengths to become the primary zero-carbon energy provider for the UK
- **Reduce energy consumption**
Prioritise action on low-efficiency homes and buildings, particularly in our most deprived communities and the promotion of low carbon heating, cooling and process efficiencies in energy intensive business, to become smart users of energy
- **Transition industry to low carbon goods, services and processes**
Support energy clusters for generation, management, carbon capture and transport. Stimulate demand for energy efficiency and low carbon energy generation, storage and management on the public estate
- **Take a whole system approach to wider changes**
Strengthen local government energy planning, green development finance, and capitalise on natural assets to promote sustainable land use

To achieve this, we need government to:

- ✚ **Deliver clear, consistent and stable energy policy**
- ✚ Publish an **Energy White Paper**, which sets out national frameworks and commits to a timescale for decarbonisation of the grid
- ✚ Back a flexible, regional approach to energy innovation and regulation to allow the North to lead the low carbon energy revolution
- ✚ **Develop new funding and regulatory models**
- ✚ Set energy efficiency measures as a national infrastructure priority, capable of attracting patient finance, incentivising the retrofitting of homes
- ✚ Unlock new nuclear and industrial carbon capture, use and storage
- ✚ Incentivise local smart low carbon energy generation, transport and services
- ✚ **Establish the North as the UK's strategic low carbon pathfinder**
- ✚ Deliver transformational proof of concept demonstrators, including for new technologies, low carbon transport, heating and smart grid enabled clusters
- ✚ Establish a recyclable energy development fund to de-risk initial investment in low carbon infrastructure
- ✚ **Use full climate impact and co-benefit assessments for investment appraisal**
- ✚ Pilot utilising carbon pricing and natural capital accounting to inform viability assessments
- ✚ **Reform Green Book appraisal processes**, to enable local action on land-use and investment



Education, Skills & Work



Context

- The employment rate in the North has increased in the last ten years, as has the share of the Northern workforce in higher-level occupations.
- Our workforce will need to continue to change, alongside a changing economy. We must commit to life-long learning to ensure that people have the skills they need at all stages of their careers, especially within emerging strengths such as digital
- The North recognises the importance of 'Good Work': jobs which offer fair pay, training opportunities and flexibility. Many of our places have committed to Charters to develop this.
- Systemic barriers to attainment – and, by extension, to social mobility – begin at the earliest stages of education, and pupil attainment in schools across the North is lagging, particularly among the disadvantaged.
- Apprenticeship starts are dropping, and for too many, vocational education is out of reach or poorly resourced.
- Too many people are suffering from poor mental and physical health, which holds them and the North back. We need to offer support to help people learn and work productively and healthily.

A well-educated and skilled North, where talent is nurtured and in-work training is available and accessible for all.

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The North has the opportunity and ambition to:

Adopt Good Employment Charters

- Set a common definition of Good Work for the whole of the North and encourage more employers to commit to high standards

Close skills gaps and shortages by linking local provision to local opportunities

- Work with businesses and providers to be world-leading in creating a vocational and technical education system in the North

Promote better support systems and networks

- For good physical and mental health in the workplace
- For lifelong learning and reskilling older generations
- For young people looking to apply for top universities
- To enable dialogue between young people and businesses
- For those with special educational needs and disabilities, so that children can learn and teachers can teach

To achieve this, we need government to:

-  Give places the freedom to match education and skills provision to local opportunities and support teachers and learners
-  Invest in cultural education, supporting the broader development of young people during their studies
-  Maintain its commitment to delivering a high performing technical education system, delivering parity of funding and esteem between vocational and academic routes





Housing

Context

- The North is a great place to live, its places have a proud heritage and culture and the natural environment is outstanding.
- The North has a strong track record of rebalancing, regenerating and repurposing its local areas.
- There is evidence of increasing market confidence in the North; the North West now has the fastest growing property market in England, and Housing Associations here are strong.
- Government has lifted Local Authority borrowing restrictions and many Northern places are now building strong housing pipelines, but the North has a shortage of housing.
- Housing delivery has accelerated, with net new housing additions now exceeding Government targets. Momentum needs to be maintained, otherwise there is a real risk that the North will lose its market share of new homes.
- Centuries of heavy industry have left swathes of accessible brownfield land in prominent places, often with low land values but in need of costly and complex remediation.
- Some key national planning and housing investment policies constrain the North's ability to develop a housing offer which matches its economic ambitions.



Quality housing is key to unlocking the North's economy and is a human right for its people.

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The North has the opportunity and ambition to:

Collaborate to set out a vision and strategy for Housing in the North

- Making the case for growth and maximising the capacity in the North

Pursue an ambitious house building agenda

- Build high quality, truly affordable housing to attract and retain a skilled workforce, growing the North's share of the working age population and lead innovation in construction technologies to decarbonise new homes

Lead on sustainable regeneration

- Driving reductions in carbon emissions by the improving current housing stock and living environments
- Building on the North's cultural, heritage and natural assets with placemaking initiatives to actively support regeneration and unlock the potential of our towns, cities and rural communities

Provide safe, decent and affordable homes for all

- Promote a Good Landlord Charter across the North, encouraging a partnership approach with landlords
- Take a coordinated approach to homelessness and rough sleeping

To achieve this, we need government to:



Establish a new appraisal and investment framework to enable quality housing development, ensuring that the North can build homes and regenerate neighbourhoods to align with the economic growth needs set out in the NPIER



Make registration on the National Register of Landlords compulsory in England, to drive up standards and ensure tenants have safe, quality homes



Review national policies to ensure they support local areas to plan for wider, transformational economic growth



Incentivise forward looking local plans that support wider growth, by reviewing the standard method for establishing local housing need



Amalgamate and simplify **funding streams** to give local areas the ability to invest flexibly and strategically in regeneration



Support local areas with a Brownfield Delivery Fund to tackle the infrastructure and excess costs of development on previously developed land to make more brownfield sites viable for housing



Innovation

Context

- The North can use innovation to drive social change and improvement, being a leader in addressing major global trends such as the increased use of AI/Big Data, the shift towards clean growth, and an ageing society.
- The North's prime capabilities (Advanced Manufacturing, Health Innovation, Energy, and Digital) are innovation-intensive industries. Greater cross-sector collaboration with these primes will help to close the North's productivity gap, which currently averages at 25% less gross value added per capita than England as a whole.
- Research and development expenditure is lower in the North, as is the overall number of project applications for Innovate UK funding. This narrow focus has led to government R&D investment being directed to places that are already prosperous.
- Working together, the North could orchestrate its innovation assets and strengthen engagement with global innovation leaders to attract investment in research and development and venture capital.



The North will be recognised internationally for the effectiveness of its innovation eco-systems.



The North has the opportunity and ambition to:

- Improve institutional leadership by bringing together innovation leaders
- Identify opportunities to boost R&D spending, scale up innovation projects and share information between sectors, partners and universities
- Increase private sector-led R&D investment, ensuring that it develops and commercialises frontier technologies within the North's prime capabilities
- Build Northern capacity to support diffusion of business innovation
- Develop knowledge exchange and supply chains and drive applications into global markets
- Support an updated OECD Review on Northern innovation
- Establish a long-term approach for delivering transformational impact on productivity, identifying industrial alignment and skills shortages

To achieve this, we need government to:

- 🔧 Rebalance UKRI R&D funding in line with the opportunities for growth presented by its key sectors, working with Northern partners to align academia, research, SMEs, and industrial priorities
- 🔧 Develop a roadmap to demonstrate how a place-based approach to innovation will contribute to the national target to increase the UK's spend on research and development (R&D) to 2.4% of GDP by 2027
- 🔧 Develop a new Northern Innovation Fund to enable the North to take action in implementing its roadmap to unlock the 2.4% R&D target, funding processes and support structures that incentivises collaborative, business-orientated innovation ecosystems

Transport



Context

- The potential economic value of transformational growth in the North is huge. Better transport will unlock it.
- Transport spending in the North is below the national average and far behind London. The North needs a rebalanced transport deal to thrive.
- Current appraisal methodologies reward high wage areas with evidence of congestion, rather than opportunities for wider economic benefit and opportunity for future growth. This holds the North back.
- Rail demand is growing across the North, but our services aren't improving. We need better rail infrastructure.
- Bus ridership has fallen dramatically across the North, and this has hit remote, rural places particularly hard. Limited 'last mile' connectivity in our places adversely affects our ability to increase opportunity for all people. As the most popular mode of travel, we need consistent, reliable and cheap bus services to unlock the potential of our places.

Every part of the North should be able to access a good quality employment opportunity within 45 minutes.



The North has the opportunity and ambition to:

Back a 'new deal for rail', with commitment to HS2 and NPR

- Make the case for devolved control of transport systems to our places to enable London-style transport management

Prioritise improvements for passenger and freight rail users to deliver transformative growth.

- Ensure rail services are accountable and user focused

Adopt new technologies to support a greener, cleaner economy

- Back clean air zones
- Climate-proofing new transport development plans

Back local control of bus services

- Seize opportunities from the Bus Services Act to deliver better last mile bus services for our communities

To achieve this, we need government to:

- **Fund a Northern Budget for transport** alongside long-term local transport budgets
- **Provide a 'new deal for rail'**, with commitment to High Speed 2 and Northern Powerhouse Rail
- **Devolve control of transport systems to our places** to enable London-style transport management with revenue subsidy to support attempts to set up expanded, extensive and better funded bus services
- **Reform appraisal methodologies**, to encourage growth in less productive places, help encourage transformational investments and support as a priority low carbon public transport
- Provide financial support to assist drivers and small businesses to switch to greener alternatives
- Develop a national infrastructure strategy that responds positively to the recommendations from National Infrastructure Assessment





Trade & Investment

Context

- The North has great potential to grow, with much to offer investors, and therefore needs to better capitalise on its assets to fulfil its ambitions. But, exports currently account for 24% of Northern Powerhouse GDP – the UK average is 30% and only 7.5% of businesses in the North export, relative to a UK average of 9.5%.
- Foreign Direct Investment (FDI) projects create/safeguard just 90 jobs per 100,000 population in the North, compared to a UK average of 180 per 100,000.
- The North has economic strengths in high-value, high-tech industries. Its four prime capabilities are ‘international-class’ clusters of sectoral, academic, occupational, and infrastructural strengths. It should use these to attract investment and boost exports.
- The North suffers from hidden unemployment and as such we need to target the more difficult to reach groups of the labour market.



Collaborating across boundaries to connect the whole North to the world economy.



The North has the opportunity and ambition to:

Create a framework for collaboration at a pan-Northern level

- Pursue long-term collaboration across administrative and sectoral boundaries, led by a Trade and Investment Leadership Board established in partnership with Government

Develop an intelligence-led approach to export and investment

- Target businesses with export capabilities and latent export potential, directing them to the funding and support they need
- Target international businesses in our prime capabilities to further enhance their global value chain position
- Build the Northern brand internationally
- Collaborate to find and exploit opportunities to market the North



To achieve this, we need government to:

-  **Embed the North in existing activity**
Through Northern Powerhouse ‘proofing’ future UK trade deals inviting Northern localities to participate in more trade missions, and improving the statistical data available
-  **Provide the North with additional ownership of, and freedom to lead, investment and trade.** Through a jointly owned mid-term strategy with Department for International Trade. Enhanced resources and greater local control over existing resources, to market the North and its businesses
-  **Establish a performance management framework to attract investment and trade.** Provide a framework for investment that aligns with the prioritise of the Northern Powerhouse Independent Economic Review, sets clear export targets, and prioritises best fit investment and trade activity
-  **Deliver a step change in trade activity**
Work with the North to identify and deliver the scale of investment required to level up the North’s exports and inward investment

Next Steps



Partners in the North will work to develop these policy ideas and build capacity for delivery.



The policy groups that worked to create the Convention of the North with NP11 policy papers will continue their collaborative analysis and policy development.



The Manifesto will be presented to Government and to the Opposition parties as the unified vision for how the North's potential can be unleashed.



The North will continue to talk with Government about how devolution can be extended and deepened, on the basis of collaboration and consent, and developing the partnerships and structures the North has built.



The Convention of the North with NP11 will reconvene in September 2020 in Liverpool to assess progress and agree its continuing priorities.



In progressing these actions, it is vital that Government co-produces with the North a refreshed and ambitious Northern Powerhouse Strategy.

This will need to include a genuine commitment to extend and deepen the devolution of powers and resources needed to unlock the economic potential of the whole of the North.

NP11



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A Manifesto for the North

The NP11 is the business-led voice for the North that brings together the 11 Local Enterprise Partnerships (LEPs) from across the North of England.

It plays a leading role in realising the vision for an economically thriving Northern Powerhouse that drives economic prosperity, international competitiveness, and inclusive growth that benefits everyone across the North's great towns, cities and rural communities.

Its members include:

Roger Marsh, Chair of Leeds City Region Enterprise Partnership and Chair of NP11; **Christine Gaskell**, Chair of Cheshire and Warrington LEP and Vice-Chair of NP11; **Lord Richard Inglewood**, Chair of Cumbria LEP; **Mike Blackburn**, Chair of Greater Manchester LEP; **Lord Christopher Haskins**, Chair of Humber LEP; **Steve Fogg**, Chair of Lancashire LEP; **Asif Hamid**, Chair of Liverpool City Region LEP; **Andrew Hodgson**, Chair of North East LEP; **James Muir**, Chair of Sheffield City Region LEP; **Paul Booth**, Chair of Tees Valley LEP; and **David Kerfoot**, Chair of York, North Yorkshire and East Riding LEP

The Convention of the North brings together people from across the North, including businesses, trade unions, elected leaders, and community and faith groups, to speak with one voice on pan-Northern issues.

Its steering group includes:

Nick Forbes, Leader of Newcastle City Council and Chair of the Convention; **Susan Hinchcliffe**, Leader of Bradford Council; **Sir Richard Leese**, Leader of Manchester City Council; **Carl Les**, Leader of North Yorkshire County Council; **Peter Box**, Leader of Wakefield Council; **Geoff Driver**, Leader of Lancashire County Council; **Judith Blake**, Leader of Leeds City Council; **Julie Dore**, Leader of Sheffield City Council; Greater Manchester Mayor **Andy Burnham**; Liverpool City Region Metro Mayor **Steve Rotheram** and Sheffield City Region Mayor **Dan Jarvis**; **Roger Marsh**, Chair of Leeds City Region Enterprise Partnership and Chair of NP11.



Email: contact@manifestoforthenorth.co.uk

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