

Annual Review

April 2020 – March 2021

Creating 100,000 more and better jobs for the North East economy between 2014 and 2024.

2020
2021

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Helen Golightly, Chief Executive Officer



North East LEP Senior Management Team. Left to right: Alan Welby, Richard Baker, Helen Golightly, Jen Robson, Colin Bell, Michelle Rainbow.

Introduction from Helen Golightly

When the team and I talk about the North East, it is always with pride and optimism. Innate to our wonderful region is a sense that – whatever happens – we can and will go again and it is this drive and determination that has overwhelmingly dominated our response to the COVID-19 pandemic.

With this in mind, I'm keen to open this introduction to our 2021 Annual Review with a thank you to the incredible team at the North East Local Enterprise Partnership (North East LEP), who have all gone above and beyond. From our leaders and volunteers on the board and sub-boards to every last employee, our immediate and longer-term economic response to the crisis has ensured the local business community has come first and I'm grateful to everyone and our many fantastic partners for that.

Through the overwhelming efforts of the North East COVID-19 Economic Response Group, comprising the North East LEP, North East Combined Authority, North of Tyne Combined Authority, CBI on behalf of business, Newcastle University of behalf of the region's universities and the voluntary sector and trade unions, we were able to quickly and effectively publish the Recovery and Renewal Deal for the North East in September 2020.

This sets out a roadmap for exiting the pandemic in a way that will allow our communities to prosper and which puts decarbonisation and sustainability at its core. If we can secure the investment to bring the Deal to life, the prize is a green, inclusive and resilient economy, innovative forms of local partnership, and new and growing businesses resulting in our big ambition which remains the creation of 100,000 more and better jobs. The hard work, will and commitment is here and every proposed step is evidence-based so we know each decision is right. We continue to lobby government for the support needed to make these goals a reality.

"Despite everything, the North East has shown that it can and will rally when the chips are down. Good communication – listening and learning – has helped us and our partners work collaboratively for the good of the region."
Helen Golightly, Chief Executive Officer

While the pandemic may have dominated the last 12-18 months, there have been many other developments over that time.

Here at the North East LEP, we welcomed a new chair in Lucy Winskell OBE, who took over from Andrew Hodgson OBE last Autumn. Lucy has stepped comfortably into the large shoes that Andrew left to fill and has been instrumental in keeping a strong focus on rebuilding our economy and communities so that as we move on from COVID-19, no one is left behind.

We have had some remarkable achievements. Our partnership with Crowdfunder UK saw members of the public join with us to safeguard 120 businesses and protect over 350 jobs during the Coronavirus pandemic through a match funding scheme. 10,000 people raised over £495,000 and we were able to match fund with £400,000, to keep our small businesses going. It is these selfless acts of generosity that characterise the North East people.

The North East Growth Hub has been incredibly successful in supporting businesses throughout these most challenging of times. The business growth programme generated 35,905 referrals to the Business Support Provider network and was in contact with 15,126 companies to discuss their preparations for the UK's European Union exit. The team doubled capacity and its work achieved a staggering customer satisfaction rate of 98%.

Critically, our data and intelligence gathering saw the COVID-19 toolkit on the Growth Hub become a central source for regional businesses on COVID rules, restrictions and support and enabled the team to feed back to government on what businesses needed.

Whilst our work on the COVID-19 response has been our focus, we were delighted to see the final independent evaluation of the Gatsby Benchmarks of Good Career Guidance Pilot published and the results were rightly described as transformational – we are incredibly proud of our involvement in the pilot which has led to the integration of the career guidance benchmarks into national policy, where we continue to lead the way as we develop and expand the model through our North East Ambition programme across the full region.

Our pioneering Innovation team is introducing a new model known as Innovation Delivery Partnerships. These are designed to identify global market opportunities for our North East businesses to target, grow into and benefit from. You'll hear more about these over the coming months.

Despite everything, the North East has shown that it can and will rally when the chips are down. Good communication – listening and learning – has helped us and our partners work collaboratively for the good of the region. While there is still much to do, and our focus and resolve will continue, it is right to take stock of this, mark the moment and feel proud.

Helen Golightly
North East LEP, Chief Executive Officer

Impact of COVID-19

The North East COVID-19 Economic Response Group was formed promptly in response to COVID-19, to develop a Recovery and Renewal Deal for the North East, which would outline how a thriving post-pandemic economy could potentially be created.

The group is made up of the North East LEP, CBI, and the North of Tyne and North East Combined Authorities with the support of industry, to ensure the North East has strong economic leadership that acts quickly and collaboratively to mitigate the impacts of COVID-19.

The proposal was published in September 2020 and reflects on COVID-19 as a catalyst for change and details how the North East is ready and prepared to harness this catalyst to reinvigorate the North East economy.

The Recovery and Renewal Deal sets out how, with the necessary support from the government, the North East could maximise opportunities to reach a goal of rapidly creating 100,000 good quality and secure jobs.

We continue to work with government to support the North East through its recovery, with an ask of £2.8 billion to directly unlock half of required 100,000 additional jobs quickly. We also asked for accelerated confirmation of existing business cases, including Transforming Cities funding; a commitment to joint working in areas where the North East can lead the national recovery, specifically low carbon energy; and flexibility within national programmes to allow for maximum leverage of local and national resources.

It is envisioned that this would keep people in jobs and training, support businesses and sectors to restart and recover, and support the transition of our communities and places as they adapt to living with COVID-19.

In the long-term, the deal sets out how our future economy can be built by maximising the potential of our existing assets and exploring new opportunities and by investing in digital and transport connectivity.

Opportunities identified in the document include a series of new projects to empower our rural and coastal areas and reinvigorate our town and city centres; achieving zero carbon emissions targets; utilising new digital construction and advanced manufacturing techniques; and leading the national offshore wind revolution.

The proposals give particular focus to jobs in the key areas of data ageing, low carbon, life sciences and pharma. This will help the transition to a stronger, higher-productivity and higher-wage economy, with people primed to adapt to challenges and new opportunities.

We are continuing to work on a roadmap for recovery with regional partners as we begin to emerge from the pandemic.

"Now more than ever we need to be imaginative in our thinking, brave in our approach and robust in our delivery in order to recover and thrive.

In the Recovery and Renewal Deal for the North East, we have suggested the way to a new North East. Now is the time to come together to think bigger, greener, more inclusively and with innovation to reimagine our economy."

Sarah Glendinning,
Regional Director for the CBI North East
and member of the North East COVID-19
Economic Response Group

COVID-19 hit the North East economy hard. An economic shock of this nature requires a response of the same scale. In September 2020, the North East Economic Response Group published its response plan to government. This page is a summary of that plan.

Our goal

To return to pre COVID-19 levels of growth and sustain 100,000 more and better jobs in a greener and more inclusive economy.

Our challenges

When we published this plan in September 2020, the impacts of COVID-19 were at their most critical. The North East was facing:

97 % of businesses impacted

30% reduction in footfall in city/town centres

36,500 more people on unemployment benefits

32% of workforce furloughed at its peak

108,000 of workforce still furloughed in August 2020

Asks of government

- Significant devolution of resources and powers to reflect scale of COVID-19
- £2.8 billion to directly unlock half of the required 100,000 additional jobs quickly
- Accelerated confirmation of existing business cases, including Transforming Cities funding
- Commitment to joint working in areas where the North East can lead the national recovery, specifically low carbon energy
- Flexibility within national programmes to allow for maximum leverage of local and national resources.

Our values

-  To have a greener, more sustainable economy
-  To level up the North East economy
-  To be innovative and think bigger
-  To do the right thing locally for our region
-  To be a trusted partner for government
-  For the impact of our recovery to reach all of our communities

Our plan

- To keep people in jobs and training
- To support businesses and sectors to restart and recover
- To support the transition of our communities and places as they adapt to living with COVID-19
- To build the future economy by maximising the potential of our existing assets and exploring new opportunities
- To invest in digital and transport connectivity.

Our achievements

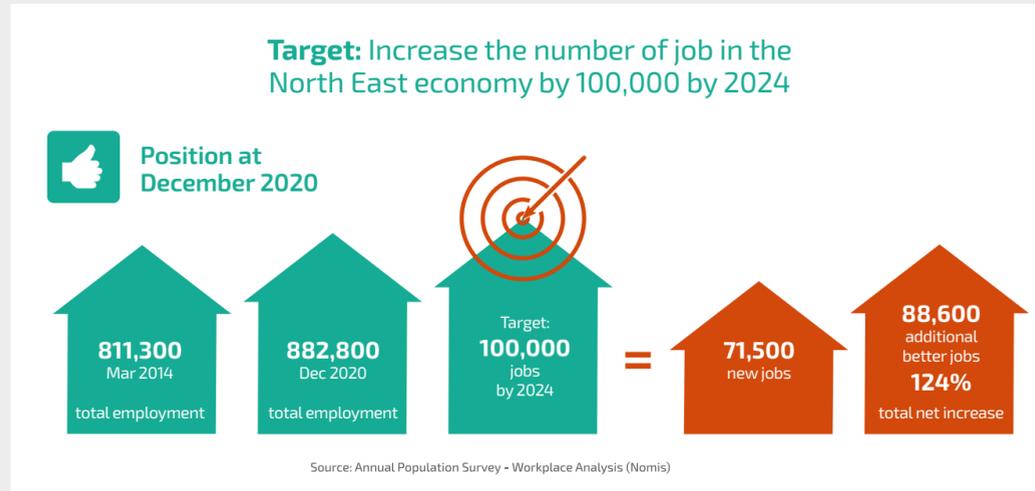
We responded quickly to the pandemic in March 2020 by committing £5 million of our resources to support businesses. Throughout the year we established 12 schemes focused on targeting business need which government funding did not reach. A highlight was the Crowdfunder scheme which supported 128 businesses that collectively received funding of more than £470,000, and is estimated to have safeguarded 433 jobs.

Our targets

The Strategic Economic Plan includes six key targets for the North East. These set out the progress we want to make between 2014 and 2024 in relation to our productivity, the number, quality and type of employment opportunities available and the proportion of our workforce in employment and economically active.

At a local level, the full impact of COVID-19 on the economy and labour market is not yet reflected in official data. As a result of the pandemic, some data is still to be released, including our GVA per hour target data, where the latest information is for 2018. Other annual releases have a time lag which means that 2020 data will not be available until the second half of 2021, including the data within our private sector employment density target. Although headline local employment statistics are more regular, they are based on a survey over a 12-month period. This means that the latest figures are based on data to the end of December 2020 and therefore include some responses from the pre-COVID period. The official definition of people in employment includes most furloughed workers, so the full impact of COVID-19 on the North East labour market will not be clear until the completion of this and other government support schemes.

Our ambitions to increase employment opportunities, the proportion of people in work and to improve our productivity levels, continue to be the priorities that we will measure progress against. However, during the course of 2020/21 we have also monitored a wide range of national, administrative, and new data sources to give us indications of the economic effects of COVID-19 on the North East. These have been shared via regular reports to board and the North East Data Hub.



We will produce a full assessment of the impact of COVID-19 on the North East through our state of the region report: Our Economy 2021. This will enable us to bring together official data with a range of other data sources and intelligence to provide a rounded view across business, people and place metrics at a time when the controls will have been largely worked out of the system and the economic support winding down.

More and better jobs

The two headline targets are to increase the number of jobs by 100,000 between 2014 and 2024 and for 70% of the additional jobs to be 'better jobs'. Better jobs are defined as those in the following occupational groups: managers, directors and senior officials; professional occupations; and associate professional and technical occupations. Examples of professional occupations are doctors and civil engineers and examples of associate professional and technical occupations are laboratory technicians and graphic designers.

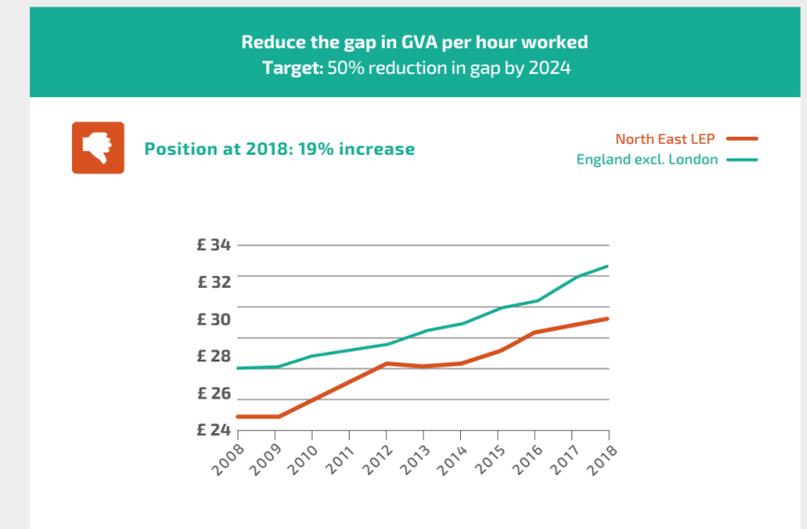
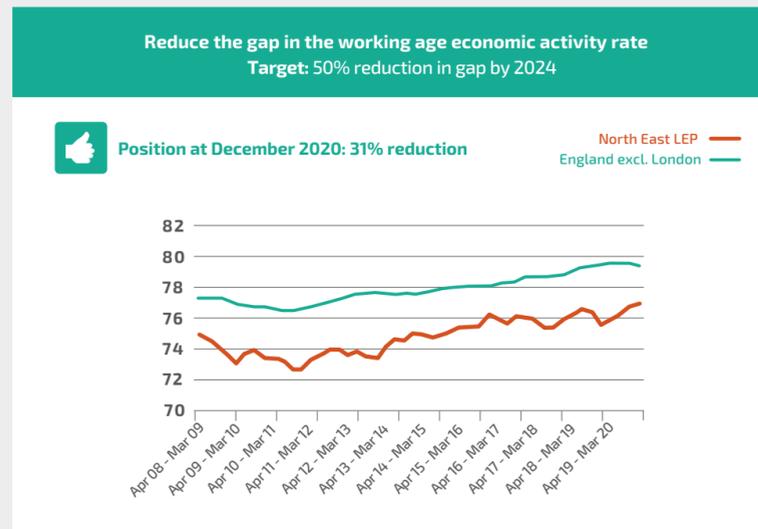
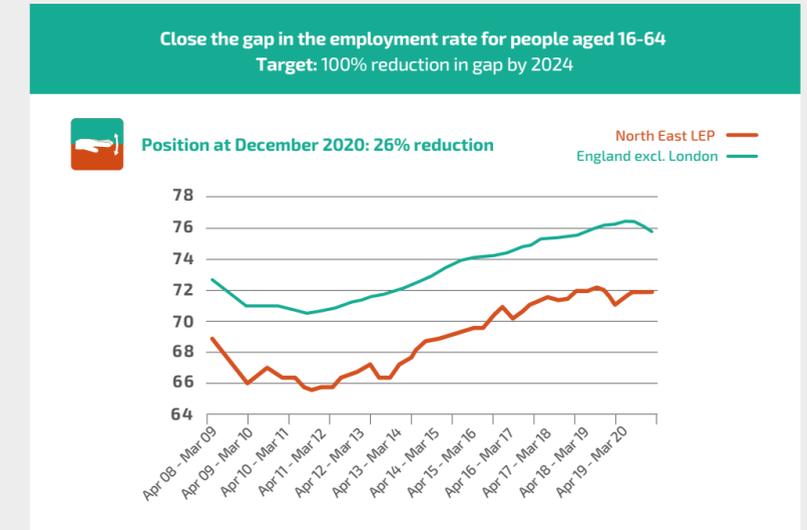
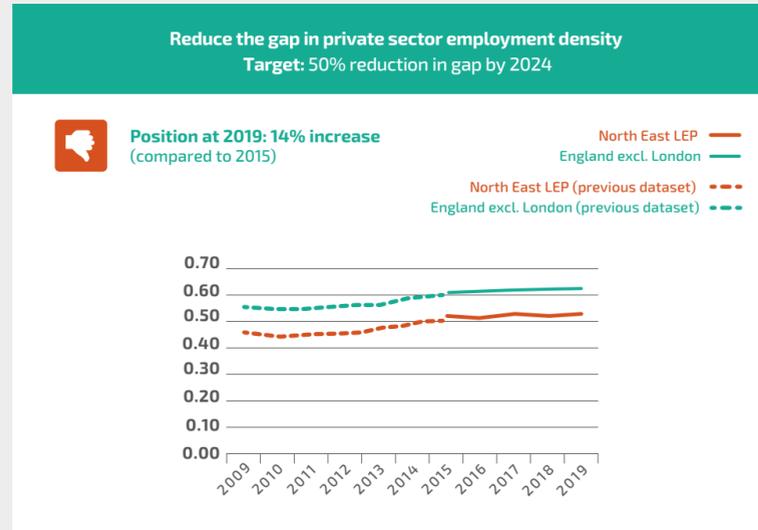
By December 2020, total employment had

increased by 71,500. This had been driven by an increase of 88,600 in employment in 'better jobs', equivalent to 124% of the total net increase.

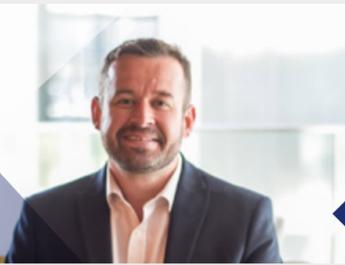
Closing the gap with England excluding London

Our four other targets relate to the gaps in private sector employment density per head, the economic activity rate and productivity (GVA per hour worked) to be reduced by 50% by 2024 and for the gap in the employment rate to be completely closed. The rates and density all refer to the working age population (aged 16 to 64).

According to the latest data, the North East LEP area has improved its performance on each measure since 2014. The gap in the economic activity rate has been reduced by 31%, well on the way to the 50% target. The employment rate gap has decreased by 26% although this is only a quarter of the way to the target. For the other two targets, improvements in the performance across England excluding London have been greater than in the North East, increasing rather than reducing the gaps.



Business growth



Colin Bell, Business Growth Director, North East LEP
 "I will remember how everyone faced significant challenges yet were selfless and pulled together to put the safety and wellbeing of others first, even if it put them in a difficult situation personally and commercially. It was incredibly humbling - in the face of adversity we stood united!"

Passionate, committed and resilient - supporting businesses through the COVID-19 storm



We have worked tirelessly to support thousands of people and businesses over the past 12 months. Many needed to figure out how they could ride the COVID-19 storm. Some went into forced hibernation, others rapidly changed the way they operated, and others developed new solutions to overcome the raft of new challenges. Our businesses also had the added complexity of preparing and transitioning as the UK left the European Union.

When lockdown first came into force there was extensive confusion and angst in the business community with many businesses contacted the North East Growth Hub keen to understand how their business could survive and maintain their workforce. There was no COVID-19 specific support and people didn't know what to do.

The Business Growth Board, many of whom run their own businesses and were also dealing with the impact of COVID-19, provided a vital sounding board with insights and advice based on their direct experience of navigating through the pandemic. This helped us to put informed plans in place at pace.

What we delivered...

During 2020/21 the business growth programme:

- Generated 35,905 referrals to the Business Support Provider network
- Reached out 15,126 businesses to discuss EU transition preparations
- More than doubled capacity to deliver one-to-one diagnosis and impartial brokerage to 1,437 businesses
- Achieved a customer satisfaction rate of 98%.

The business growth team worked with 897 businesses intensively through the following programmes:

- Peer Networks
- High Potential Startups
- Scaleup North East- delivered in partnership with RTC North and recognised as national exemplar in 2021 Scaleup Institute Review
- Supply Chain North East – delivered in partnership with RTC North, NEAA, NEPIC and Generator.

The support we have offered is anticipated to deliver the following for the businesses we supported:

- £4,080 GVA per employee increase
- £72,166,669 additional GVA
- 797 new jobs
- 502 of which are better jobs

35,905
 referrals were generated to the Business Support Provider network



OATEIN conquers major British supermarkets with support from Scaleup North East

Intelligence-driven responses

Central to our role is providing intelligence to government on the impact COVID-19 is having on businesses and the support required. In the first few weeks of the initial lockdown, our intelligence supported the introduction of vital interventions such as furlough and the launch of the Coronavirus Business Interruption Loan Scheme. We continue to provide weekly intelligence briefings to government to inform its ongoing response.

We also used this intelligence to inform our COVID-19 toolkit that soon became the central source of information on COVID-19 rules, restrictions and support.

Increasing the rate of entrepreneurship

Through a competitive process, together with our partners, we were selected to be part of the MIT Regional Entrepreneurship Acceleration Programme, which saw the creation of a project aimed at increasing rates and retention of entrepreneurial talent within the North East. The project will continue during 2021/22.

Responding at pace

We worked with the Business Growth Board and the Business Support Provider Network to put in place a COVID-19 support framework that focused on:

- Starting a business in a crisis
- Operating under COVID-19 restrictions
- Spotting and acting on new opportunities.

Each business support provider, most of whom were adapting new virtual ways of delivering their services, identified how they could change and do things differently to align to the framework and to support businesses. The collective response was incredible!



North East Growth Hub COVID-19 toolkit



The team from Corbridge Larder

Securing vital funding and resources

To support the delivery of the framework we also worked on securing investment and resources to plug gaps and enhance the support that was already available. We:

- Secured £800,000 to provide capital grants through Supply Chain North East to supply PPE and ventilators to the NHS
- Secured £2.4 million of ERDF funding to deliver, in partnership with NBSL Ltd, 100% grants to 640 businesses to support them to kickstart their recovery
- Secured £500,000 from government to deliver Peer Networks across the North East, designed to bring businesses together to plan their recovery.

- The introduction of an EU Transition toolkit to provide the most up to date information to businesses
- Launched a Business Resilience Health Check service to help businesses review their risks and put in place contingency measures
- Worked with partners such as the North East Automotive Alliance, RTC North and SME Centre of Excellence to support exporters
- Introduced an EU Transition outreach service to proactively approach 8,000 businesses to discuss their preparations
- Delivered a range of workshops to support businesses to navigate and understand the new trading environment.

Inward investment

£3.7 million

was secured by the North East LEP to directly support businesses in the North East to deal with the impact of COVID-19

2,935

new jobs created in 2020/21 into the region through 68 inward investments

EU Transition

On 31 December 2020 the UK left the European Union. With uncertainty around the deal and the threat of a no deal, our role was to help businesses mitigate their risk. For most this was a daunting prospect as they continued to deal with the effects of the second lockdown. To help businesses to prepare we introduced a range of measures:

Of these, 53 were from foreign-owned companies (both new or re-investment projects) creating 2,713 jobs. 15 were projects from UK companies previously outside the region creating 222 new jobs. Projects came from a wide variety of sectors - advanced manufacturing, energy, digital technology, life sciences, business services and distribution. In terms of foreign-owned businesses, the largest number of projects came from the USA, with France, Japan and Sweden being the next three most frequent source countries.

Innovation



Alan Welby, Innovation Director, North East LEP

"I Innovation has been at the centre of the COVID-19 response, from supporting our manufacturing businesses in the rapid development of PPE, to establishing the Challenge North East programme to support local SMEs to help solve complex problems arising from the impact of the virus on our society.

The building earmarked for the Centre of Excellence in Sustainable Advanced Manufacturing was repurposed as a Nightingale Hospital."

"Growing the UK space ecosystem is a government priority. In the North East, we have a thriving network of entrepreneurs, service providers and manufacturers who are helping the UK to realise its ambition to capture 10% of the estimated £400 billion global space industry by 2030."

John Bone, Chair of North East Satellite Applications Centre of Excellence and lead partners on the Space Hub IDP

Our Innovation Board

Gillian Hall was appointed as Chair of the Innovation Board in August 2020, taking over from Alan Lowden. Gillian is also a member of the North East LEP Board and LEP Investment Advisory Board, and is passionate about driving innovation in the North East to support the growth of the economy and support the recovery from COVID-19.



"By encouraging innovation – whether that's within small businesses or in large corporations – we can boost the region's productivity, create more jobs, and make a positive difference to the lives of people in the North East."

Gillian Hall, Chair, Innovation Board

A new approach to innovation

We also began the Innovation Delivery Partnerships pilot programme to co-create, develop and test a new framework for innovation activity to boost the North East's market share and competitiveness. 12 partners came forward to lead an Innovation Delivery Partnership strand each, which were endorsed by the North East LEP Board in January 2021.

Innovation Delivery Partnerships	
Pathfinder IDPs	Lead partner
Battery Materials	CPI
International Centre for Connected Construction (IC3)	Northumbria University
Immersive Technologies	Gateshead Council/Sunderland Software City/Digital Catapult NETV
North East Drives	Newcastle University/North East Automotive Alliance
Ageing Innovation	Newcastle University
Space Hub	Business Durham
Robotisation Alliance	Offshore Renewable Energy Catapult
Development IDPs	
Lead Partner	
Cybersecurity	Dynamo North East
FinTech	Dynamo North East
Surface and Interfaces	Durham University
Water Resource Management (The Water Hub)	The Environment Agency

Understanding and capitalising on emerging markets

We initiated the Economic Markets Foresight Analysis, a forward-looking, action-oriented research project that will relate global drivers and trends to the North East's innovation capacities, capabilities and assets. The research will identify where there is genuine potential to enter and grow in global supply chains.



DABS received £12,000 from Challenge North East to progress their innovative gloves that are treated with Polygiene ViralOff© technology, which is an antimicrobial and antibacterial treatment. This treatment provides a 99% reduction of known virus and bacteria including COVID-19 and the common influenza. ViralOff© doesn't interfere with the skin's natural bacterial flora and is made from recycled ocean plastic.

Challenge North East

We launched the Challenge North East pilot in November 2020 to support the recovery from the pandemic. We wanted businesses to work together to develop practical solutions to issues that had arisen from COVID-19.

Our first two challenges focused on delivering safe and engaging in-person events and adapting the delivery of home-based services. We made available £200,000 of funding to support businesses to develop solutions to these challenges and we received 63 expressions of interest. From this, 16 projects received funding to develop solutions and following a final competitive pitching process, seven projects were awarded additional funding for further development and marketing of their solutions.

16 SMEs

participated Challenge North East

INVITE Project

The INVITE project, which aimed to stimulate European cross-border open innovation, ended in August 2020 with all objectives successfully achieved. Over 50 businesses from the North East participated in innovation challenges, with 10 North East businesses chosen to receive grants of up to €5,000 and partner with European SMEs to tackle to real-world problems posed by multinational manufacturers including Nissan, Caterpillar and Komatsu. The project launched the Open Innovation Lab (Oi2 Lab) which provides a range of innovation support including specially developed e-learning modules. Insights from the INVITE project will be embedded into the Challenge North East programme.

£65.2 million

public funding achieved by Innovation Pipeline projects

Priority project investment

The Innovation Board championed 14 regionally significant innovation projects after engaging throughout the year, and continues to play the critical friend role as business cases develop.

£65.2 million of public funding was secured by the region for these priority innovation projects during 2020/21.

"A thriving rural economy is crucial to the prosperity, wellbeing and resilience of communities. We will work with businesses, rural communities and economic development agencies to share learning and test new approaches to innovation and enterprise.

Professor Jeremy Phillipson, Professor of Rural Development, Newcastle University and Director of the National Innovation Centre for Rural Enterprise

Skills, employment, inclusion and progression



Michelle Rainbow, Skills Director, North East LEP

"The efforts of our skills team, stakeholders, partners and wider network have been incredible. I would like to acknowledge their resilience, adaptability and positivity given the adversities we have faced throughout the COVID-19 global pandemic. I would also like to praise the response of the education and skills sector in widely embracing the use of digital technology."

"The effects of COVID-19 on the North East are significant. However, while our ambition remains purposefully bold and many opportunities lay ahead, there is more to do to better understand the medium to longer-term impacts of the pandemic on our region's productivity and development"

Ellen Thinnesen: Chair, North East Skills Advisory Panel and Chief Executive, Education Partnerships North East



Skills Advisory Panel

The Skills Advisory Panel (SAP) continues to provide oversight of the delivery of regional skills, employment, inclusion and progression programmes and projects. Since March 2020, it has provided a single point of coordination between government, regional agencies, education organisations and local authorities for the North East COVID-19 skills response.

During the initial stages of the COVID-19 lockdown, the SAP met weekly and subsequently made a commitment to meet monthly throughout the pandemic period. Through its membership, which includes organisations such as the CBI, TUC, NEECC and representatives from schools, further and higher education providers, independent providers, small and larger employers, the NHS and government, it has continued to inform and be informed on local, regional and national policy, initiatives and programmes.

Focusing on six workstreams, the SAP has undertaken a number of actions throughout the year. Key highlights have been collating monthly data and intelligence including the impact of COVID-19 on workforce and employment patterns. We have also developed a series of evidence-based 'asks' to input into the North East Renewal and Recovery Deal document.



Pupils from Norham High School visited the Go North East depot in Gateshead as part of the Education Challenge programme

The SAP and the North East LEP skills team are continuing to work with our regional and local partners to ensure that businesses, communities and individuals are aware of and can access support and interventions to mitigate the impact of COVID-19 on skills and employment.

The North East Local Skills Report

Through the SAP membership we undertook an interim analysis of our local labour market, identifying local strengths and skills needs, feeding in to the national Skills and Productivity Board.

"Careers Leaders report greater knowledge, skills and understanding of their role since becoming involved with North East Ambition. A majority of Careers Leaders at both primary and secondary school level say that their profile and influence within their school has increased since they became involved with North East Ambition Careers Hubs."

North East Ambition evaluation report 2021

Key achievements

North East Ambition

North East Ambition Career Benchmarks: Primary Pilot

Through this project we are working with 70 primary schools to test the embedding of the Good Career Guidance Benchmarks.

In its first year, the Pilot has achieved its aims of translating and embedding the Benchmarks within primary school settings.

Evidence shows the Pilot is making good progress in building the capacity of schools to deliver a consistent, comprehensive, and high-quality career education for all pupils.

School cultures in relation to Career Related Learning (CRL) have been positively impacted by the Pilot with 82% of survey respondents indicating that CRL is now part of their school's general curriculum.

Evidence shows that the Pilot may positively impact pupil outcomes in the future with 89% of survey respondents indicating that pupils are able to talk more about their career plans.

Enterprise Advisor Network

We have continued to build on the Enterprise Advisor network and help employers and SMEs engage and partner effectively with educators, learners and wider communities.

Careers Hubs

We have built communities of best practice to support schools and colleges to embed the Good Career Guidance benchmarks in secondary schools and colleges.

We are currently engaging 80% of all schools in the region through our Career Leaders Network and our online resources, and 94 schools and colleges intensively through the Careers Hubs.

A sustained improvement has been seen in the engagement with Career Leaders; over 92% of Career Leaders have been involved in at least one official meeting.

We supported the College Hub to implement Good Career Guidance Benchmarks and we have been recognised as a national exemplar of adopting a whole-college approach to careers by the Careers and Enterprise Company and the Association of Colleges. We established communities of practice to support career guidance practitioners during lockdown, and to support transition arrangements between year 11 and 12, and introduced industry insight sessions in partnership with employers to support teacher and career practitioners in understanding the changing nature of work across industries experiencing growth or significant change.

"From a positive perspective, we have used Microsoft Teams to access events and virtual tours, we have probably increased the numbers of employers we have been able to speak to as it has been much easier to arrange and fit things in."

Careers Leader SEND Hub

75%

of teachers surveyed were more confident about offering careers advice after participating. They developed subject knowledge to support their CPD (North East Ambition evaluation report 2021)

We developed a strategic approach to support providers and employers in the design and delivery of technical education and to foster collaborative efforts across the existing and future T-level provider network, engaging national stakeholders such as awarding bodies, government and employer representatives.

Teacher externships

We have provided externships for educators to gain industry-relevant experience which can be brought back into the classroom.

Education Challenge

We have been delivering Opportunity North East in 16 schools across the North East LEP area.

Despite significant challenges during the last academic term, 77% of students were able to access virtual advice and guidance and career-related activities and interventions. The data evidences a positive direction of travel against a number of assessment criteria following interventions and interviews.

We have expanded delivery of the Next Generation Learning Pilot, focusing on school leadership, high quality continuing professional development (CPD), rich employer engagement, early preparation for the next stage, wider skills, student wellbeing, teaching and learning through applied learning, project-based learning and numeracy skills.



Title

Investment and infrastructure



Helen Golightly, Chief Executive Officer, North East LEP

"Despite the challenges faced this year, the focus on investment and infrastructure has remained. Receiving new funding from government via the Getting Building Fund to help local infrastructure projects in the region recover from the pandemic, and using existing funds, has allowed us to strategically invest into projects, creating more and better jobs"

Local Growth Fund

The Local Growth Fund Fund's £14.5 million budget for 2020/21 has been fully committed, helping to attract over 4,500 jobs and apprenticeship places, and leveraging over £270m into the North East economy. Over the past year several major project investments have launched, including:



Bank House...

East Pilgrim Street

Ambitious transformation plans have begun on Newcastle's East Pilgrim Street where public realm and highways improvements are being introduced in a phased approach, helping to secure new investment in the former Fire Station and the 12 floor new Bank House office development.

Jarrow Business Centre

£500,000 was awarded to South Tyneside Council to develop the Manufacturing Zone at its Jarrow Business Centre, to help meet demand from SMEs in the offshore industry.

As the six-year LGF programme tapers to an end, we have appointed consultants to review progress to date, with an interim evaluation report expected in Summer 2022.

£14.5 million

has been fully committed to the Local Growth fund for 2020-21, attracting over 4,500 jobs



An aerial image of IAMP (International Advanced Manufacturing Park) in Sunderland/South Tyneside showing three of the site's completed buildings

Enterprise Zones

The Enterprise Zone programme continues to deliver improved, high-quality locations for businesses to occupy and grow.

During the last 12 months our 21 Enterprise Zones became home to five more businesses, creating 201 jobs. This brings the total number of businesses located on the Enterprise Zone sites to 59, collectively employing more than 1,800 people.



Jade Business Park (EZ)



Andrew Moffat CBE with NUFC players Matt and Sean Longstaff celebrate work happening at the NU Foundation building – the project received £900,000 from Getting Building Fund

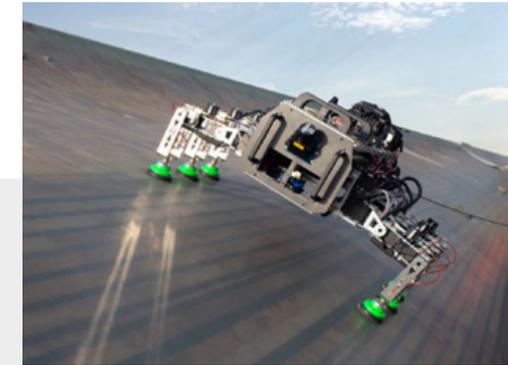
Getting Building Fund

The North East LEP was allocated £47 million for investment in shovel-ready infrastructure projects to stimulate jobs and support economic recovery. We brought forward a wide-ranging package of projects during 2020 that are planned to be substantially completed by Spring 2022. Projects will support a green economic recovery and contribute to the ambition to create more and better jobs. Example projects include:

- The UK's first robotic and autonomous systems test and validation centre for offshore wind in Blyth
- South Tyneside Council's new Glassworks office development in South Shields
- NUCASTLE – the Newcastle United Foundation's state-of-the-art facility providing an accessible and inclusive centre for learning, recreation, exercise, personal development and community work.



The Glassworks in South Shields



Robotics and Autonomous Systems (RAS) Test Site. Image courtesy of BladeBUG.

North East Investment Fund

During 2020/21 we invested in four projects:

- Boiler Shop (additional £500,000)
- Solar Capture Technologies (£934,442)
- Commercial Property Investment Fund (additional £10 million)
- Skills Academy for Sustainable Manufacturing and Innovation (£3.24 million).

The contractual evaluation of the North East Investment Fund programme was completed in early 2021 and submitted to government.

They were satisfied that we had delivered the funding effectively and confirmed the £30 million initial investment could be retained in the region.

This will allow us to proceed with the Commercial Property Investment Fund proposal that is currently being developed.

£73.2 million

31 projects

The North East Investment Fund has contracted £73.2 million in 31 projects

Developing a regional pipeline

Work continues with the seven local authorities to pull together a regional pipeline of investment projects.

The aim of this piece of work is to develop a co-owned regional resource that has visibility of priority projects and ensures the region is prepared for future government funding including national competitions.

We are also developing a proposal to set up an accelerated project development fund to improve the volume and quality of truly shovel-ready projects and support regional recovery and local growth.

COVID-19 related support

A variety of COVID-19 support packages have been in place and have provided grants and funding:

- Patent Protection Scheme has provided grants to 13 Health and Life Science focused businesses
- Health and Life Science Development Fund has led to seven projects being taken forward
- Cluster Development Fund has made 12 awards with a total of £238,218
- Voluntary, Community and Social Enterprise Capital Fund has made grant awards totalling £1.2 million
- £200,000 award to Newcastle Airport - equipment for positioning the airport to adapt to COVID-19 requirements and become COVID compliant.

Transport connectivity



Philip Meikle,
Transport Strategy Director, Transport North East

"We are proud to have delivered the first North East Transport Plan – a truly regional approach to strategic transport investment up to 2035, and Connected North East: Our Blueprint, which is informing discussions with government about regional transport and digital connectivity. This work brings major change for the people of the North East."

North East Transport Plan

The North East Joint Transport Committee published the region's first Transport Plan, setting out the vision of 'moving to a green, healthy, dynamic and thriving North East'. It is a region-wide action plan for strategic transport investment up to 2035 and includes 243 schemes and at least £6.8 billion of investment and is something we are immensely proud of.

The Transport Plan is closely aligned with the North East Strategic Economic Plan and Connected North East: Our Blueprint, which is a ground-breaking approach to describing how transport and digital connectivity together will aid our economic recovery from COVID-19.

Work on delivering the schemes is underway and funding is being called for to deliver the rest of the ambitious programme.

East Coast Main Line

The North East remains united in calling on government to publish credible, timely and properly funded plans to upgrade the East Coast Main Line, including the full reopening of the Leamside Line. The region's business and political leaders have made it clear that the North East's aspirations must be reflected in the government's forthcoming Integrated Rail Plan for the North and Midlands.

Metro Asset Renewal Programme

The original 11-year Asset Renewal Programme as agreed with government in 2010 is now concluded. A total of £378 million has been invested including local contributions, both increasing the reliability of the network and extended the life of the infrastructure.

Moving to a green,
healthy, dynamic and
thriving North East

243 schemes

Live programme of 243 schemes
which amount to at least £6.8 billion



Cllr Gannon and Leamside Line



Electric bus

Buses

The 162.4 million passenger journeys in our region in 2018/19 make buses our most-used form of public transport. Bus use fell dramatically during the pandemic, with public money being used to keep this crucial network operating for key workers and essential journeys. Bus operators have risen to the challenge of providing resilient and punctual services and a new electric bus fleet has been introduced. To assist recovery and deliver the North East Transport Plan's vision for buses, a new approach of partnership working with bus operators is proposed, underpinned by the National Bus Strategy.

Transforming Cities Fund

The Transforming Cities Fund tranche one and two programmes faced delays in 2020 due to COVID-19, however the majority of tranche one schemes are now complete or close to completion and the tranche two programme is well underway.

A programme board was established in December 2020 to oversee management of tranche two and provide recommendations to the Joint Transport Committee. Durham Bus Station is the first scheme to pass through the process and was awarded full funding in January 2021.

£500,000

to deliver EV charging
infrastructure across the North East



Durham Bus Station

Go Ultra Low North East

The Go Ultra Low North East programme, funded by the Office for Zero Emission Vehicles and European Regional Development Fund, has made significant progress and the final two rapid charging hubs are due to be installed by the end of April 2021.

Excellent progress has been made with the EV taxi project which received £500,000 from the Office for Zero Emission Vehicles, with eight of the 10 rapid chargers now complete.



Electric taxi charge point

Active Travel Fund

Following submission of a successful bid, the Joint Transport Committee received £2.2 million to deliver measures to support the increase in cycling and walking, enabling people to partake in active travel and maintain social distancing. The region's bid for tranche two of the fund secured an additional £9.049 million to deliver schemes that reallocate road space to pedestrians and cyclists. A promotional campaign to encourage uptake in active travel will be delivered during 2021/22.

£11.249 million

received from the
Active Travel fund in 2020/21

North East Freight Partnership

The North East Freight Partnership continues to tackle key issues, including skill shortages and the need to reduce impacts from heavy goods vehicles on the environment.

Delivery of transport schemes funded through Local Growth Fund

The delivery of the Local Growth Fund (LGF) transport programme is progressing well, with most transport projects now complete.

£100,000 from the LGF programme has been used to fund an Electric Vehicle (EV) Enabling Study which sets out additional locations which are suitable for EV infrastructure. A further £500,000 is being used to deliver charging infrastructure.

Strategy, policy, evidence and analysis



Richard Baker, Strategy and Policy Director, North East LEP

"Strategy, policy, data and analysis is the golden thread that runs through all components of the Strategic Economic Plan. Being evidence-led and working with partners on the future policy agenda is what is important to us and I am thrilled to see the work of my team being so integral to both the work of the LEP and our partners.

Our team has driven forward the COVID-19 evidence base responsibly to inform the emerging plans, co-ordinated regional policy projects on EU Exit including our Freeport proposal, developed our trade and export strategy, published the Health and Life Sciences Strategy and ensured the policy and evidence in the region's Transport Plan were aligned with the Strategic Economic Plan."

Driving forward regional strategies

North East Strategic Economic Plan evaluation

This evaluation has been about understanding the impact of programmes of delivery and the regional response to COVID-19. The report will set out recommendations in relation to the future summative evaluation framework, including implications of revised Green Book requirements.

Building the economic evidence base

Innovative evidence to support the region

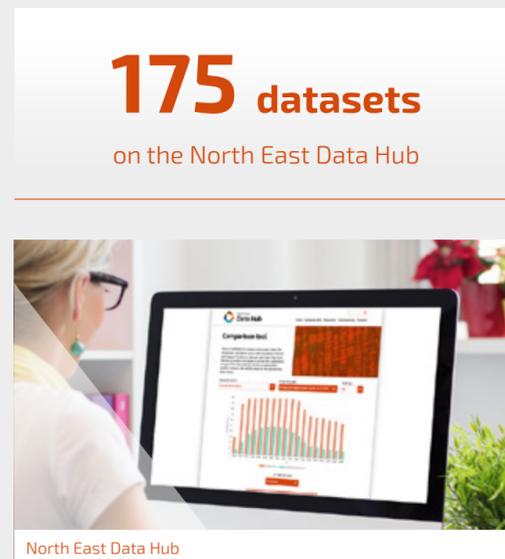
We published 'faster' datasets using innovative sources such as Google mobility. We have also commissioned research and evaluations, built strategic partnerships with universities and improved access to evidence across the region.

North East Economic Evidence Forum

The Evidence Forum continues to bring together partners from across the region, national research organisations and government to identify the evidence needs of the region, review emerging findings and disseminate research.

North East Data Hub

The Data Hub ensures that anyone can access our data on the North East economy. During 2020/21, we continued to develop and promote the site's functionalities, and broaden the range of data, research and commentary available.



North East Data Hub

175 datasets

on the North East Data Hub

Our Economy 2020

Our Economy presents an overview of the North East LEP area economy and how it is changing over time. The 2020 edition was published in June and includes a specific focus on how the economy varies within the North East. Much of the data within the publication is regularly updated on the North East Data Hub.



Our Economy 2020

Research and evaluation projects

A range of research and evaluation projects have looked at future skills within the North East and explored the impact of COVID-19 on parts of our economy. Strategic relationships with universities in the region have led to new avenues of research. We hosted a PhD student to support our intelligence work.

12 research projects

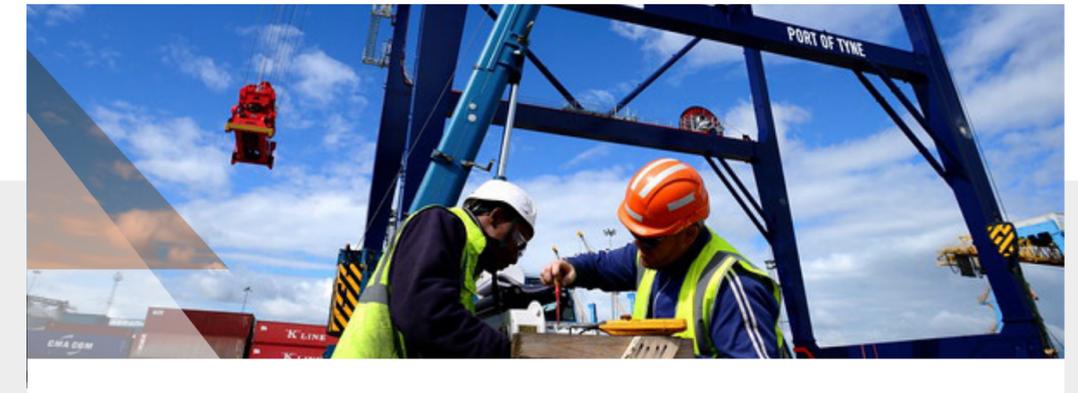
commissioned, valuing £400,000

If successful the North East England Freeport would have delivered:

61,000 jobs and £2.06 billion private sector investment



North East England Freeport bid



Key strategy and policy projects

EU Transition

The North East EU Exit Implementation Group met monthly throughout 2020/21 to discuss and share knowledge on business preparations. On behalf of the Group, the North East LEP co-ordinated regional responses to domestic policy initiatives including Freeports policy, the shortage occupation list and the new subsidy control regime.

North East England Freeport bid

A joint working group with our ports, business and innovation partners and local authorities developed a collaborative regional bid in response to the Freeports Bid Prospectus published in November 2020. Our bid would have delivered 61,000 and £2.06 billion of investment into some of our most deprived communities. Despite being ranked as the third most compelling bid across the various criteria, it was not selected by government.

Trade and Export Strategy

In December 2020, we began work with the Department for International Trade and the North East England Chamber of Commerce to develop a regional trade and export strategy. The strategy identifies prime and opportunity areas for building trade and makes recommendations for systematising advice and support to businesses across the exporting process. This will be published in May 2021.

Northern Powerhouse

The Northern Powerhouse Co-ordination Group continued to meet, facilitating information sharing on Northern Powerhouse strategic priorities. We worked with NP11, N8 and Transport for the North on a Northern innovation study and have initiated a review of pan-Northern data and intelligence on behalf of NP11 working with Transport for the North and other Northern LEPs.

Tourism and culture

We supported partners in developing a regional plan to support growth and improvement in the tourism sector, building on work prepared for a Tourism Action Zone bid in response to the Tourism Sector Deal. A collaborative statement of intent for the future development of the sector in the region has been drafted.

Net Zero North East

In October 2020, the Board agreed that the LEP should work with the North East Climate Coalition and other bodies to develop an initiative to accelerate the transition to net zero in the region. A Board level Steering Group is in place and drawing together proposals for action in the run up to COP 26.

Economic Prospects Group

We convene the Economic Prospects Group in conjunction with the Bank of England to share economic intelligence and to review key UK-level reports such as the BoE Inflation Report. This has moved from a quarterly to monthly cycle during the year to reflect COVID-19 and EU Exit implications.

Energy



Andrew Clark, Energy Programme Lead, North East LEP

"In what's been a difficult year for communities and the economy, impetus to ensure a green recovery which delivers net zero has only grown. How we create and use energy is critical in this, and the way forward presents transformational opportunities for sector growth and investment in the North East."

Energy for Growth

The Energy for Growth programme has provided an ongoing point of coordination with partners and stakeholders in the region and beyond, to develop and present work across the energy agenda in the North East, and to build this into wider regional economic strategy. Our partners include business, innovation bodies, regional stakeholders such as local and combined authorities, and national stakeholders in government and industry.

£5.8 million

of projects are being supported by the the Energy for Growth LGF programme across the North East, from directly supporting business growth to innovative energy demonstrators.

Governance, leadership and collaboration

The North East LEP has maintained a key role in governance, leadership and coordination of energy sector partnerships and networks. This includes:

- Membership of the Energi Coast Offshore Wind cluster management group, and leadership of a skills subgroup for the cluster
- Membership of the government-sponsored North East & Yorkshire Energy Hub, which links to the national policy framework supporting the Energy for Growth strategy, provides a framework for co-operation on energy projects in this wider region and supports delivery of UK Government investments into the North East LEP area
- Convening the North East Energy Catalyst, which unites the region's considerable energy innovation assets to work together on shared priorities.



The world's largest wind farm

will have its operational base on the River Tyne

Supporting key growth sectors

A priority for Energy for Growth is the support of key energy sectors to grow:

Offshore wind

Building on our evidence base around opportunities to grow the offshore wind sector, we have funded business support programmes; supported successful inward investments; and coordinated regional submissions into national infrastructure investment programmes.

Green energy sectors

We are actively supporting other green recovery sectors, including the electrification and battery storage sectors, via funding and active partnership in initiatives such as EV North. We have successfully applied to develop a high potential opportunity around heat networks with the Department for International Trade.

3,000 jobs

will be created in Blyth as British Volt builds its second Gigafactory

Innovation and demonstration

The North East Energy Catalyst has built an ambitious programme prospectus, forward plan and communications profile for the national stage, with a number of significant delivery successes in the last year. These include: supporting regional SMEs with expert guidance and nearly £200,000 of funding as part of the innovation challenge programme; and securing funding allocations for two projects through the Getting Building Fund with a total value of £5 million.

£5 million

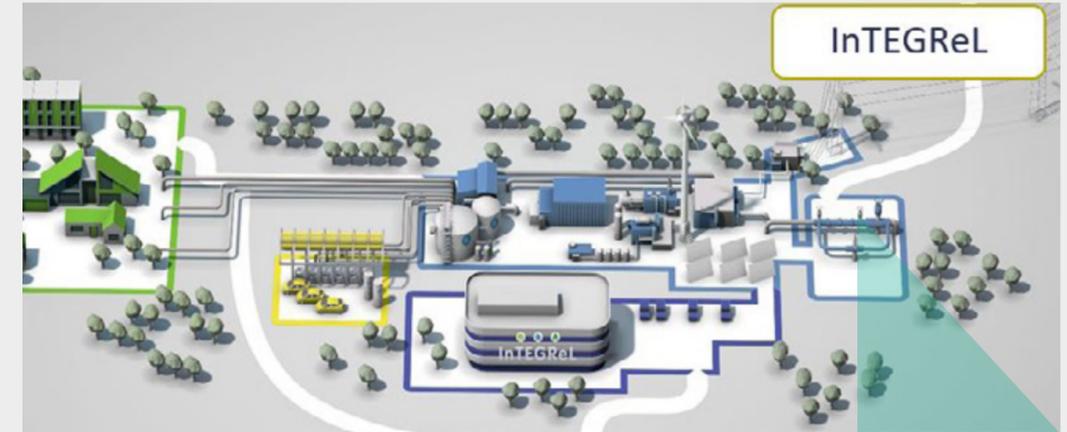
funding secured towards projects from the Getting Building Fund

£9 million

Launched the world's first £9 million multi-site smart energy lab

£200,000

of funding granted and expert advice delivered to innovative SMEs developing solutions to energy challenges



InTEGReL: a fully integrated whole energy systems development and demonstration facility, providing a space for industry, academia, SMEs and government to explore and test new energy technologies, strategies and processes.

Regional energy

The LEP has been active in supporting the development and mobilisation of a regional energy project pipeline. In the last year we have facilitated rural community groups to access circa £600,000 of feasibility funding for community energy projects through the Rural Community Energy Fund. Working with our local and combined authority partners we have pooled budgets to create a new regional resource to accelerate project development of regional district energy (including mine energy schemes) which have resulted in significant funding awards for delivery.

We have also demonstrated the capacity to lead at national level on behalf of the Local Energy Hub networks, convening the Mine Energy Task Force with 40 organisations from across the UK and producing a Mine Energy White Paper. We are working with the North East and Yorkshire Hub and the Energy Systems Catapult to develop an energy skills project as part of a national network aiming to ensure that there is a supply of highly skilled home energy advisors in the future through curriculum development and promotion.

£600,000

of funding from the North East and Yorkshire Hub delivered for feasibility work towards North East community-led rural energy projects

£300 million

The North East is nurturing a regional energy project pipeline of over £300 million

Areas of strategic importance



Richard Baker, Strategy and Policy Director, North East LEP

"The North East Strategic Economic Plan highlights four key areas of strategic importance which can strengthen economic competitiveness and improve the quality of employment: energy; health and life sciences; advanced manufacturing; and digital. We continue to give these areas particular strategic focus, working with partners to drive long-term development of the regional economy."

Health, life sciences and pharmaceuticals

With our Steering Group partners we developed the North East Health and Life Sciences strategy and supported the response to COVID-19.

Health and Life Sciences Steering Group

The Steering Group membership has continued to deliver a structured work programme. It has engaged directly with government departments, overseen the development of the strategy and prioritised new project proposals in the context of the strategy.

"The North East has a diverse and vibrant clustering of life sciences, manufacturing and health services. I believe that the work that is being done in the North East can support more growth in the region and make a strong contribution to our wider UK initiative to promote research collaboration, partnership and investment globally as part of government's strategic national approach to Life Sciences."

Sir John Bell, Regius Professor of Medicine, University of Oxford and champion and sponsor of the UK Life Sciences Industrial Strategy

Health and Life Sciences Strategy

The North East Health and Life Sciences strategy was approved by the North East LEP Board in January 2021.

As part of its development, we have delivered:

- A full review of data and evidence about North East health and life sciences capability and assessment of opportunities and challenges in the UK policy framework
- Secured £300,000 of Local Growth Funding for the development of detailed business cases for key projects
- Completed analytical work to model future growth opportunities and set down key growth targets for the sector.



Health and Life Sciences Strategy

£300,000

of Local Growth Funding for the development of detailed business cases for key projects

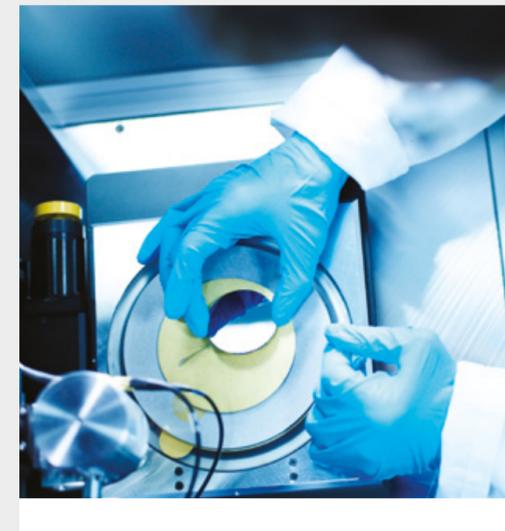
We've also delivered a range of activities to support the development and delivery of the strategy, including:

- Completion of an analysis of the skills needs of North East pharmaceuticals businesses and the initiation of a second study looking at the skills needs of life sciences businesses
- Sponsorship of the annual BioFocus 2020 conference, attended by 300 delegates, which provided a point of consultation on aspects of the strategy
- Work with partners to secure a High Potential Opportunity project on ageing, which is now being actively progressed with the Department for International Trade
- A range of actions to engage regional partners in the UK COVID-19 response including on PPE and vaccines
- Creation of a highly innovative £300,000 Patent Protection Fund to 'furlough' IP impacted by the focus of the NHS on the pandemic
- Support for the creation of North East Pharma as a sector leadership structure.

Local Growth Funded health and life sciences business cases

There has been investment into the following projects to bring forward outline business cases for future funding as part of the Health and Life Sciences strategy:

1. Digital Skills Hub (phase 2) with AHSN NENC
2. North East Health Evaluation Eco System with AHSN NENC
3. Centre for Health Data with Durham University
4. Early Diagnostics Institute with Turbinia Ltd
5. Pharmaceutical Supply Chain Study with NEPIC
6. Securing the generics supply chain for the NHS with North East Pharma
7. Collaboration with Newcastle International Airport on a project to assess opportunities to enhance freight connectivity for the sector.



Digital

Digital Steering Group

The Digital Steering Group has continued to oversee the Digital for Growth strategy. Key outputs of the work programme can be identified across the following four areas:

Data

A report was developed in partnership with the National Innovation Centre on Data exploring opportunities to leverage its role for the region. The North East and Tees Valley were successful in a bid to join the UK Made Smarter adoption programme with £660,000 for a year one project.

Digital collaboration and enterprise

A working group drawn from industry has helped produce proposals for an approach to strengthened support for startup and incubation of tech businesses.

Connectivity

We worked with our local authorities' Digital Leaders group and Transport North East to develop the North East Connectivity Plan.

Digital skills

Working with our Skills team and through the Skills Advisory Panel, a number of projects have been developed aiming to promote digital inclusion across the region.

Support for combined authority programmes

There has been support provided to the North of Tyne Digital Investment programme, ensuring that there is strong alignment between the investments made by the combined authority and the wider regional strategy.

Advanced manufacturing

There has been a range of activity undertaken to support advanced manufacturing sectors in the region including:

Enterprise Zone programme

Continuing investment through the Enterprise Zone programme and the LGF in sites and infrastructure to support supply chain growth in key manufacturing sectors including automotive, pharmaceuticals and offshore energy.

Innovation projects

Collaborative activity with the North East Automotive Alliance on key innovation projects and programmes including Driving The Industrial Revolution focused on electrification and on a programme to promote driverless vehicles.

Pharmaceutical manufacturing

Support for the creation of manufacturing within the Health and Life Sciences strategy through North East Pharma's homeshoring project and an associated supply chain project led by NEPIC.

Made Smarter programme

In collaboration with the Tees Valley Combined Authority, we were successful in a bid to be included in the second pilot phase of the Made Smarter adoption programme. A total of £660,000 will be available to promote digital adoption.

New staffing capacity

The securing of resources for the Made Smarter programme will provide resourced capacity to support the development of a regional Advanced Manufacturing strategy during 2021/22.

North East Local Enterprise Partnership

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