



Background

The SELEP Sector Support Fund (SSF) is a £500,000 per year pot over four years to support one-off, discrete pieces of work of a pan-LEP nature with a sector focus that bring demonstrable benefits and have support across the LEP. It uses Growing Places Fund (GPF) Revenue Grant to fund a programme of works to support the sector focussed activities that are being undertaken on a pan-LEP basis and predominantly led by the SELEP Working Groups*.

The projects must:

- Be pan-LEP;
- Have outcomes that align with SELEP's overarching objective to *create the conditions* for increased jobs and homes, safeguarding existing jobs and raising skills levels;
- Align with the SELEP priorities as defined in the Strategic Economic Plan;
- Be for a discrete piece of work, not ongoing or business as usual (BAU) costs;
- Be revenue only;
- Have match funding of 30%;
- Be between £25,000 and £200,000;
- Demonstrate Value for Money and comply with the SELEP Assurance Framework;
- ***Be supported by an Upper Tier Authority or equivalent as Accountable Body;***
- ***Have endorsement from the relevant Federated Board of the lead Upper Tier Authority.***

Sector Support Fund Bids submitted to SELEP in this bidding round:

The recent bidding round concluded on 10 Aug 2018; the following four bids were received:

- ***Skills for Rural Industries***, led by Plumpton College on behalf of SELEP's Rural Working Group;
- ***Good Food Growth Campaign***, led by Produced in Kent (Pink) on behalf of SELEP's Rural Working Group;
- ***Future Proof: Accelerating delivery of high quality development***, led by the Haven Gateway Partnership on behalf of SELEP's Housing Working Group;
- ***Maidstone Medical Campus EZ***, led by Maidstone Borough Council on behalf of SELEP's Enterprise Zone Working Group.

Summary details of all four projects are given in Appendix A.

Plumpton College has asked East Sussex County Council to act as the Accountable Body for the 'Skills for Rural Industries' bid – this will therefore need to be considered for endorsement by TES.

Recommendation

TES is asked to:

- ***endorse the 'Planning and prioritising future skills, training and business support needs for rural businesses across SELEP' SSF bid, led by Plumpton College on behalf of the Rural Working Group with ESCC as the lead Accountable Body;***
- ***note the content of the other three bids;***
- ***note that work will be undertaken to ensure that linkages are made with successful projects (excluding Maidstone EZ) so that East Sussex fully benefits from SSF funded pan LEP work.***

* SELEP Working Groups currently consists of the following: Coastal Communities; Enterprise Zones; Housing; Rural; Social Enterprises; South East Creative Economy Network; Tourism; Transport Officer; U9 Universities; Growth Hub.

Planning and prioritising future skills, training and business support needs for rural businesses across SELEP

Total Project Cost: £151.5k

SSF ask: £96k

Match: £55.5k

Summary and Aims	Outcomes /Benefits /Added Value
<p>This pan-LEP-project will <u>scope, plan and prioritise the future rural skills, training and business support needs</u>, reflecting Federated Areas and geographical influences on business structures and performance (benchmarking).</p> <p>This project will be a <u>comprehensive skills evaluation to formulate recommendations for targeting future skills delivery</u> across each Federated Area, setting out priorities for the main rural sectors:</p> <ol style="list-style-type: none"> Agriculture Food and drink -production and manufacture Horticulture production – vegetable crops, fruit and viticulture <p>For each covering the four key themes:</p> <ol style="list-style-type: none"> Level 3+ technical skills Business improvement techniques and business support, including knowledge transfer Skills pipeline and facilitation for new entrants Business and environment sustainability 	<p>This project complements the work of the Skills Working Group and Local Growth Hubs and strategically tackles the conundrum of shortages in high and low skills and in careers pipelines. The recommendations will focus on partnership working leading to the development of plans to raise productivity, growth and opportunities in rural areas.</p> <p>The bid also has a focus on human capital formation – a measure of individuals’ skills, knowledge, abilities, social attributes, personality and health attributes. These factors require support for lifelong learning and not just a focus on school age qualifications. It will facilitate:</p> <ul style="list-style-type: none"> Benchmarking against best practice will highlight skills gaps and training needs; Increased success of business ventures with consequent positive impact on proprietors and ability to take risks; Enhancement of the qualifications and human capital of the working population; Strengthened employability, resilience and progression through more advanced training thus reducing recruitment costs and time; Enhancement to working populations through better trained and more resilient new entrants specifically targeted at the right businesses/employers; Improved understanding of the value of the positive use of Apprenticeship Levy funding to maximise business gain; Better facilitation for SELEP to influence Government and facilitate more coherent steps between business training needs and government support programmes; Support of new start-ups and high growth companies more effectively which will be crucial in supporting rural businesses through the forthcoming Brexit environment.

Good Food Growth Campaign

Total Project Cost: £98.9k

SSF ask: £60.4k

Match: £38.5k

Summary and Aims	Outcomes /Benefits /Added Value
<p>Post Brexit, SELEP’s food and drink sector would grow significantly if supported by a more joined-up strategic approach to share knowledge and expertise and drive business development, thereby exploiting opportunities for import substitution and increased exports within what is a period of challenge, opportunity and transition.</p> <p>This pan-LEP will project will support growers, processors, retailers, food businesses and new entrants to raise awareness of the opportunities available within the sector to develop and enhance their businesses thereby adding both volume and value to the sector.</p> <p>This project will focus on:</p> <ul style="list-style-type: none"> <u>Networking</u> - The delivery of four food and drink conferences (three county-based followed by an over- 	<ul style="list-style-type: none"> Additional employment – target 10 FTE posts. Increased product sales – overall uplift of 2-5% across companies involved. 5 new products developed. 5 businesses new to export. Significantly improved network of growers, buyers, producers and retailers across SELEP’s food and drink sector (50 enhanced links supports 10 new business contracts). <p>The project will make a significant contribution to the development and sustainability of SELEP’s food sector:</p> <ul style="list-style-type: none"> Raised awareness of the opportunities to build existing businesses through the creation of a more joined-up sector network and community;

<p>arching LEP wide conference). These will include key speakers focussing on business development, start-ups, branding, product development, new markets, accessing buyers/suppliers, etc. Business to business networking, access to food champions, and opportunities for producers/retailers to exhibit will be integral elements. LEP-wide conference will act as focal point to share knowledge, expertise and lesson learnt.</p> <ul style="list-style-type: none"> • <u>Supply chain development</u> - 'Meet the Buyer' Business-to-Business events will be shaped by the outcomes from the conferences and targeted to address barriers to successful supply chain for both independents and multiples. Three half-day workshops will be delivered to prepare producers and buyers for the event by exposing key barriers and identifying how to overcome them (sharing perceptions and expectations is key). These will be followed by three half-day 'Meet the Buyer' events, which will also include detail on how to win public sector contracts (e.g. East Sussex School Meals Contract). Feedback will be shared and a final follow-up session 9 months later will monitor success. • <u>Strategic scoping study of agri-food related opportunities post Brexit</u> - consultancy work to set out emerging rural priorities as a result of the Brexit transition period. Headline recommendations to ensure our rural strategy provides clear strategic direction, especially for food productivity and the associated supply chain network and by identifying impactful areas for future SELEP investment. 	<ul style="list-style-type: none"> • Broadens market horizons and encourages an entrepreneurial approach which links to post-Brexit aspirations and opportunities; • Strengthening business resilience and sustainability of existing jobs; • Roll out of the project will encourage links to the South East Business Boost and LOCASE initiatives. Both are pan-LEP initiatives which offer business grants and support to SMEs; • Improved understanding of how new innovations in the food sector can help drive productivity and increase business efficiency; • Knowledge sharing enhances confidence and leads to new business partnerships and encourages investment in business development; • Conferences and 'Meet-the-Buyer' events create a focal point for sector development; • Builds confidence and encourages start-ups bringing new drive, creativity and energy into the sector; • Increased awareness of the opportunities for producer/retailers to do business across the LEP; • Provides direct access to sector professionals to support business development; • Improved opportunities to create new jobs as a result of business expansion; • Raised awareness of export opportunities and potential market development post-Brexit; • Consultancy review of post-Brexit rural priorities will ensure SELEP maintains strategic direction regarding the issues emerging and ensure resources and focus remain targeted to support positive outcomes.
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Future Proof: Accelerating delivery of high quality development

Total Project Cost: £157.4k

SSF ask: £110k

Match: £47.4k

Summary and Aims	Outcomes /Benefits /Added Value
<p>The project will seek to create a radically different financial product (FP) used to accelerate the delivery of housing developments which are future proofed for 2050. It will help overcome the following barriers to housing delivery highlighted by the Letwin Review, by taking a long term approach to development finance.</p> <p>The FP will combine public and private investment to underpin construction (developer) and purchase (homeowner/resident) functions of developments using very long term investment funds to:</p> <ul style="list-style-type: none"> • Enable marginal sites which are mostly but not exclusively in public ownership to come forward with differentiated housing types and tenures; • Exploit newly funded infrastructure to generate income streams to reinvest into the communities; • Solely uses off-site/modern construction methods to drive speed, quality and local economic value; • Facilitate the parcelling of larger sites and the use of SME developers; • Link infrastructure, homeownership finance, site ownership and management in creative ways to drive down operational running costs for residents and create community benefit 	<p>The funding sought from SSF will support a research, development and financial planning exercise that will be used to accelerate housing delivery and which can be used by SELEP and all 35 SELEP Local authorities.</p> <p>There are also a range of other benefits:</p> <ul style="list-style-type: none"> • End user benefit. By implementing renewable energy and storage technology not only will energy demands reduce, long term income streams will be created for reinvestment in the community; • The alternative approach to utilities infrastructure will either result in reductions in upfront capital investment or greater capital receipts over a longer time; • By implementing more creative land management release underpinned by more accessible finance, the developer market can be opened up, which also opens competition for different sizes and types of developer; • 'De-risking' of sites for incoming developers, and therefore increase benefits locally; • By creating a FP that can be deployed across other sites and shared with stakeholders, lasting benefit will be created across the SELEP development pipeline and support the growth of the construction sector and its supply chain.

Kent Medical Campus Enterprise Zone - Innovation Centre design work

Total Project Cost: £260k

SSF ask: £156k

Match: £104k

Summary and Aims	Outcomes /Benefits /Added Value
<p>Design costs for the development of an Innovation Centre on Kent Medical Campus Enterprise Zone.</p> <p>The 2,787sqm (30,000 sqft.) Innovation Centre will offer SMEs focused on life science, healthcare and med-tech activities access to a combination of high-grade office accommodation and business support providing a nurturing environment for start-ups and growing businesses. In doing so the project seeks to address a significant under-provision by the private sector in the SELEP area. The centre will also provide conferencing and meeting space to assist in the formation of a “research hotel” where businesses, academics and medical professionals can collaborate to enable new ideas to be developed and introduce new products to the market.</p>	<p>Project benefits are calculated on the basis of the delivery of the full Kent Medical Campus Innovation Centre project with enabling grant from the Sector Support Fund.</p> <ol style="list-style-type: none">1. Business rates - £375,800 pa (£3,758,000 over 10 years)2. Job outputs - £8,028,423 (over 10 years)3. Business space - £1,331,936 (over 10 years)4. Total value of benefits £9,736,159 <p><u>Business support</u> Based on 12 hours per business a target of 185 businesses will receive advice over the first 3 years, estimated at 60 per annum.</p> <p><u>Business Concept development support</u></p> <ul style="list-style-type: none">• Turn ideas into high-value business concepts.• Refine ideas to exploit market opportunities.• Focus on details to improve the whole.• Help gain investor support. <p><u>Business Networks</u></p> <ul style="list-style-type: none">• High quality pre-qualified referrals/leads from networking events.• Meeting motivated like-minded same sector group of business owners.• Potential to create joint ventures, client leads, possible partnerships, innovation, sales.• A source of relevant connections with highly influential people.• Advice source from similar business people.• Builds a reputation as a knowledgeable contact with expertise in the sector.