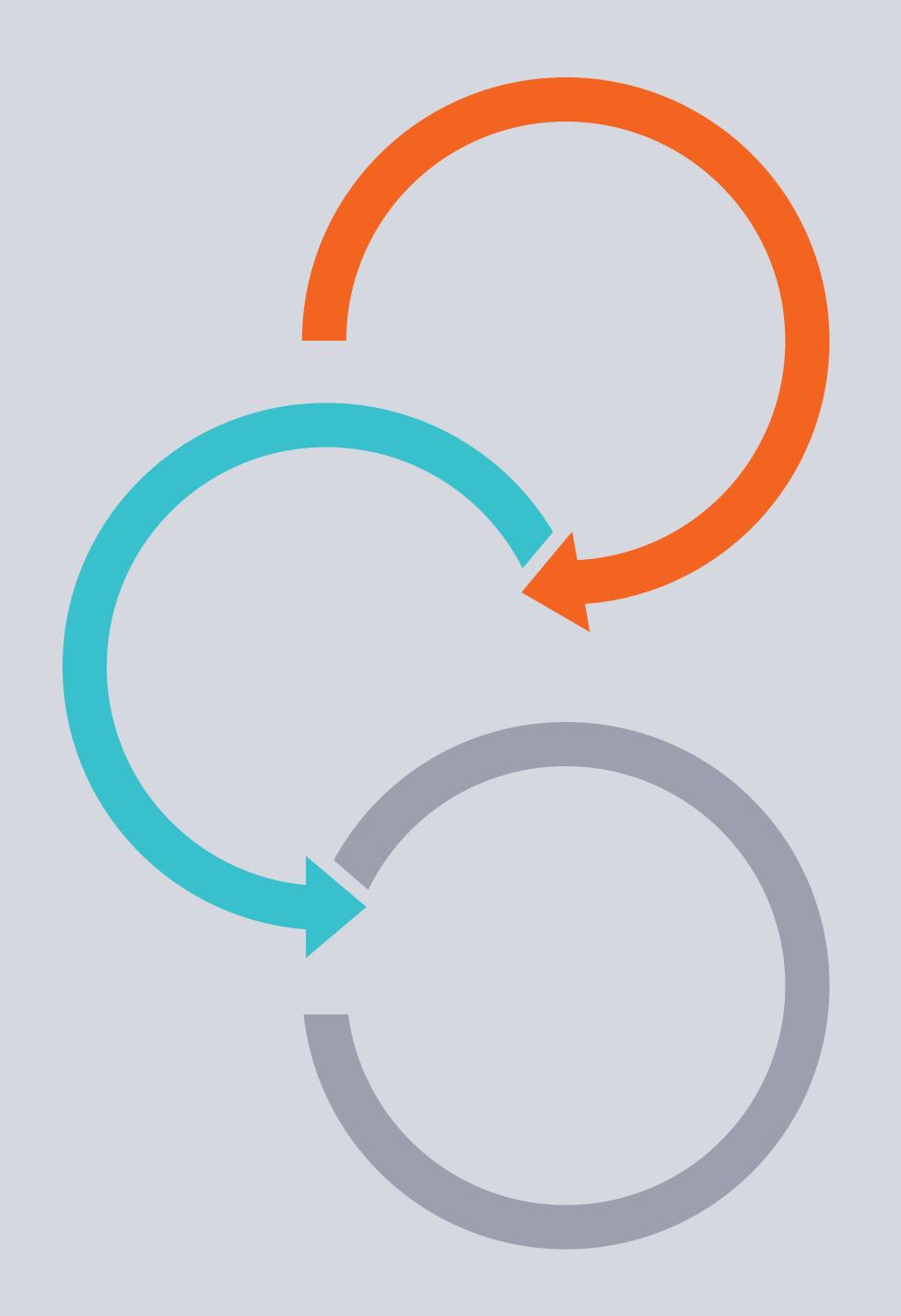


ANNUAL REPORT APRIL 2021—MARCH 2022



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A MESSAGE FROM THE CHAIR

It is staggering to think how the world has changed in recent years. The 2021-22 financial year was, in some ways, more disruptive than the one before it. The country went in and out of lockdown several times. Businesses began the slow and unsteady process of returning to pre-COVID-19 operations, or finding their new footing in a changed landscape. The country partly re-opened, but the hard times were far from over. For many, they were just beginning.

For the second year, this message focuses on our response to COVID-19 and its aftershocks. In 2021-22, SELEP rolled out its COVID-19 Recovery Fund Programme and started offering funding and support to those businesses and residents in the South East who were hit hardest by the pandemic.

I think all members of SELEP can be proud of the role we played. Whether in providing grants or intensive one-on-one consultation for businesses; in funding new equipment; or in providing skills training and advice for residents, our work has had a real, lasting and direct impact on those most affected. Our support in these areas is, of course, ongoing and, alongside our Growth Hubs, provides a port in the storm for many businesses.

Our Growth Hub advisors worked tirelessly to provide round-the-clock support to businesses in need, signposting to funding options, sending out regular communications and offering advice on the various programmes available. This work continues, and I have nothing but confidence that we can continue to help South East businesses tackle whatever they may have to face.

While it may have felt like the country was returning to normal towards the end of 2021-22, for many businesses, the toughest months are still ahead and we face a new set of challenges, not least inflation and the cost of living crisis which is pushing the cost of doing business to its highest levels for forty years.

However, I believe that SELEP is well-placed to help combat the new struggles our region is facing. In 2021, we launched our Economic Recovery and Renewal Strategy, which outlines how our vast partner network is fostering growth in our coastal communities and across the South East, and leveraging our strengths in entrepreneurship and in our position as the UK's gateway to Europe.

The path ahead is still rocky, but SELEP has a unique role to play in guiding the region over the years ahead. We will maximise the value of our network, provide support in those areas and to those businesses who need it most, and we will use our in-depth local knowledge and expertise to shape local growth policy in a way that ensures the South East thrives in the years ahead.

As my time as Chair of the South East LEP nears its end, I would like to thank the Secretariat who not only have supported me so well over the last seven years, but have also worked tirelessly and professionally during the extraordinary period for the country. I would also like to extend my greatest thanks to my colleagues on the Strategic Board and my Deputy Chair, Sarah Dance, for their commitment and unfailing determination to work together and improve the South East for all its residents.





CHAIR, SOUTH EAST LEP

A MESSAGE FROM THE CHIEF EXECUTIVE

In 2021-22 the South East stepped beyond the chaos and uncertainty of 2020, and into a new set of challenges marked by labour market turmoil, fluctuating international trading arrangements, inflation and increases in the cost of living.

As the challenges we face change, it is natural for any organisation to reassess, consider its strengths and plot its future course. SELEP is no exception, and we are increasingly clear on how we can help drive growth in a changing economy. We know where our strengths lie—in our comprehensive knowledge of the South East and its unique challenges; in our robust relationships with partners across all key growth areas; and in our unique position as an intermediary and convenor — a conduit between organisations, allowing them all to come together and find solutions to shared challenges.

One of the highlights of the year for the LEP was, undoubtedly, our successful COVID-19 Recovery Fund Programme. In 2020, our Board agreed to repurpose £4.4m from our Growing Places Fund to provide carefully curated support to businesses and residents who had been most adversely impacted by the pandemic. This included our visitor economy, those who had lost their jobs, businesses who urgently needed help to become digitally capable, and the enterprises emerging to tackle the new challenges brought by the pandemic.

Our COVID-19 Business Support Fund supported more than 300 businesses, provided close to 700 hours of one-to-one support and enabled a £400,000 package of support funding to businesses during that period.

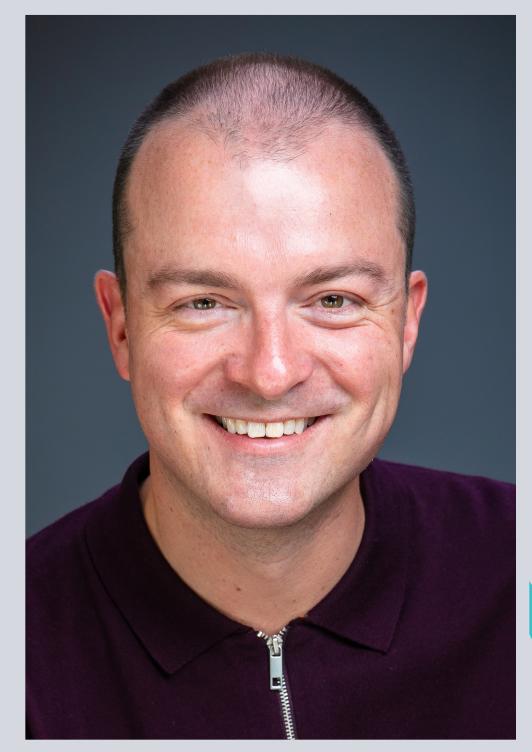
Through our Skills COVID-19 Recovery Fund, we engaged with more than 1,000 people last year and provided almost 100 pieces of digital equipment to those looking to improve their digital skills. We have also supported the Kent and Sussex Local Skills Improvement Plan trailblazers and will continue to do so in the year ahead as LSIPs roll out nationally, including in Greater Essex.

Our Major Projects Group and skills subgroup have gone from strength to strength. We have convened a wider range of partners to explore the opportunities that these major projects across the South East present to our residents and businesses. Our Skills and Employment Report for major projects in the South East was published in November.

Our Skills Advisory Panel has provided an employer voice and action on skills and produced its Skills Report executive summary and data report in 2021. We held a Virtual Careers Fair in October 2021, opened by Rt Hon Robert Halfon MP.

This track record provides a firm foundation upon which we can build. SELEP is firmly committed to securing economic recovery and renewal across the South East. We have a clear strategy for achieving this and, despite the very real challenges facing businesses and communities, we can be positive about the long-term future of our area.





ADAM BRYAN
CHIEF EXECUTIVE
SOUTH EAST LEP

ECONOMIC STRATEGY

In March 2021, the SELEP Board approved its Economic Recovery and Renewal Strategy. It responds to the devastating impact of the COVID-19 pandemic on the economy, but also the implications of Brexit on supply chain issues and the labour market and the need to level up within the South East. These issues continue to have implications and more recent ones are adding further pressure, such as high inflation, tax rises, all putting additional strain on already stretched businesses and individuals.

Our strategy aims to build on the unique opportunities and challenges that our area possesses and fully engage with Government policy for 'Global Britain' and 'Levelling Up' but we face clear cross-cutting issues in executing this. Many communities across SELEP benefit from relatively good standards of living but there are pockets of deprivation and also high concentrations of deprivation in some places, notably coastal communities. One hundred and thirty LSOA across SELEP are in the 10% most deprived neighbourhoods in the country (IMD 2019) and 107 of those LSOAs are found in SELEP's 16 coastal districts, including the most deprived community in the UK, Jaywick Sands in Clacton.

Our future plans and activity must also consider the impact on the climate, how interventions can support greater equality and inclusion within our society and ensuring the necessary connectivity, digital access and skills to support growth. Failing to do so would impede our future economic success and therefore we have set out four guiding principles in our strategy which will help to drive value-based decision making and action as we move forward.

- Delivering clean growth, by rebuilding the economy through boosting local carbon industries while cutting carbon emissions to move to net-zero.
- Closing the digital divide to build a smart connected South East.
- Developing the skills of our workforce and residents to retain and build a labour market needed in a post-pandemic and post-EU economy.
- Addressing inequalities to build a fairer and more inclusive economy.

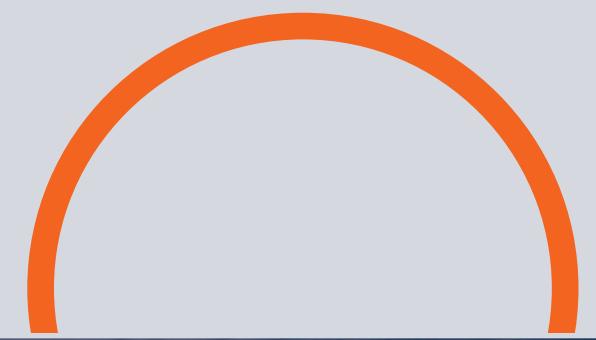
The strategy highlights four priority areas that have been identified as the unique driving forces behind the South East economy. These are:

- Business Resilience and Growth
- UK's Global Gateway
- Communities for the Future
- Coastal Catalyst

Our priorities are underpinned by seven cross cutting objectives which are reflected throughout our strategy as key pillars of all the work that we do.

- 1. support business innovation;
- 2. drive trade and growth;
- 3. deliver a skilled workforce;
- 4. improve digital and physical connectivity;
- 5. put clean growth at the heart of what we do;
- 6. support equality; and
- 7. promote greater resilience in our places.







THREE-YEAR SURVIVAL RATE COMPARED WITH ENGLAND'S 53.4%

STRATEGIC PRIORITY 1: BUSINESS RESILIENCE AND GROWTH

BUSINESSES AS OF MARCH 2021

GROWTH FROM 2020

The South East is one of the UK's leading locations for attracting inward investment and is home to 6.4% of the UK's enterprises. Our large and diverse business base offers opportunity for innovation and growth and has provided a degree of resilience for the SELEP economy, with employment in the public sector, agriculture, knowledge intensive and business support services remaining fairly stable.

However, we continued to see severe impacts over 2021-22 due to the COVID-19 pandemic. With over 30,000 enterprises across retail, accommodation and food services, arts, entertainment and recreation, and as home to two of London's airports at Southend and Stansted, the ongoing uncertainty around the future of the aviation industry and the wider visitor economy was also a key concern.

Over 90% of our businesses are micro and these, along with our large proportion of self-employed and freelance workers, all faced a disproportionate impact. In addition, our businesses had to adapt to the UK's new relationship with the EU, which brought both challenges and opportunities in relation to international trade and exports.

We are ambitious to grow back stronger, increase productivity and innovation and become the UK's most successful location for inward investment. To do so we must ensure that industry has the right environment to support future growth, including a highly skilled workforce, resilient supply chains, greater investment in R&D, improved digital and physical connectivity and targeted support where it is most needed.

> UNEMPLOYMENT AS % OF ECONOMICALLY ACTIVE POPULATION (MARCH 2022)

UK: 4.1% 16-64 (MARCH 2022)



STRATEGIC PRIORITY 2: UK'S GLOBAL GATEWAY

PARTNERSHIP

SOUTH EAST

LOCAL ENTERPRISE

SELEP is home to the nation's largest concentrations of ports, transport and logistics firms and advanced manufacturing companies with strong clusters of companies in life sciences, creative and cultural industries, health, land-based industries and tourism. Our area is highly significant in terms of national infrastructure, with all the UK's infrastructure to the east and south east of London and planned large scale investments, such as the Lower Thames Crossing, which will transform regional connectivity.

The South East has a critical role as a global gateway and creates a leading location for inward investment, linking the UK with international markets that yield significant benefits to the SELEP area and the UK as a whole. Usual activity sees around 12 million passengers and 96 million tonnes of freight moving through SELEP's ports each year — over half of England's international sea passenger population and a quarter of its sea freight. The pandemic caused a dramatic reduction in footfall through our ports, along with a reduction in some exports, however freight movement overall remained strong.

4.9% **GVA SHARE** OF UK

Our ports and their supply chain also have significant opportunity to innovate, from driving new design and technologies in pursuit of net-zero, for example sustainable road freight, renewables and hydrogen development, to the application of 'smart borders' and the role of data and automation in transport, logistics and supply chain optimisation, to the development and clustering of leading-edge technology based industries.

We want the South East to lead the UK in capitalising on our new trading relationship with the EU and rest of the world, and we will help strengthen these locations through increased capacity and reliability associated with transport and digital infrastructure, local skills development, innovation capabilities and supporting the success of our Freeports which have the potential to unlock up to 38,500

jobs and together contribute nearly £10bn GVA to the area.

TO COVID-19 COMPARED WITH UK'S 9.8%



STRATEGIC PRIORITY 3: COMMUNITIES FOR THE FUTURE

The South East continues to see significant growth and accelerating housing delivery remains a key ambition for SELEP. We have an excellent track record in delivery, outperforming all LEPs outside London for both housing starts and completions, with plans to lead the country in delivering 25% (87,100 homes) of the government's Garden Communities programme. Alongside wider housing developments across existing communities this will significantly boost employment and growth, with the development of our garden communities alone generating over 270,000 jobs. We can promote innovation in design across our nine Garden Cities, Towns and Villages, which will be applied at scale to share the benefits of this investment with wider housing developments across our existing communities.

4.26 million
USUAL RESIDENT POPULATION
(2021)

To ensure that the SELEP area remains a destination of choice we must respond to the dramatic shift in behaviours that we have seen since the pandemic and consider what this means for the future of our communities, both in terms of housing design and the acceleration of housing delivery, particularly affordable housing, but also the reshaping and transitioning of our towns and high streets.

We are committed to creating attractive and aspirational places that also bring greater equality in terms of quality of life and economic opportunities across all our cities, towns and villages. The future design of shared spaces and commercial workspaces will be particularly important for our many micro-businesses, self-employed and freelance workers and so understanding the needs of these communities will be integral to this work.

7.5%
SHARE OF ENGLAND'S POPULATION

7.1%
TEN YEAR GROWTH
COMPARED WITH
UK'S 6.6%

STRATEGIC PRIORITY 4: COASTAL CATALYST

SELEP has the largest stretch of coastline of any LEP in the country at over 375 miles, and out of a population of over four million, just over two million of the population live in coastal districts which have a rich diversity of towns, outstanding rural areas and a plethora of natural assets.

However, taken as a whole, this coastline under-performs against inland SELEP as well as regional and national economic and social indicators, including productivity where we generally see much lower GVA per hour than in inland areas. Some of the UK's most intense deprivation is found in parts of our coastal communities and the challenges they face are complex, but the opportunities are also plentiful.

We aim to improve the economic fabric of our coastal and rural communities through sector adaptation and growth, including the significantly impacted tourism and retail sectors. As well as supporting growing sectors such as energy, the green economy, maritime and agri-tech to improve productivity capacity and generate high value job opportunities, new patterns of work, bringing greater flexibilities and less reliance on commuting, also present opportunity for coastal and rural areas to attract greater talent and job opportunities and support the creation of more prosperous communities.

There are core barriers to address however, and by tackling some of these we can start developing and realising an ambition for a smart and connected coast comprised of highly attractive places to live, work and invest.

CLAIMANT RATE OF POPULATION AGED 16 TO 24 (MARCH 2022)

COASTAL: 5.1% NON-COASTAL: 3.4%

OUR COLLABORATIVE WORK



Significant progress continues to be made in a number of areas through effective collaboration across the SELEP network.

Following Government's Freeport announcement at March 2021 Budget, SELEP has supported Freeport East and Thames Freeport in the development of their business cases, unlocking significant trade and investment opportunities for the SELEP area and supporting levelling up in the surrounding communities.

We have continued to drive the work of the SELEP Major Projects Group (MPG) and MPG Skills group to bring together our largest infrastructure projects to collectively tackle some of the biggest challenges and ensure that the full range of benefits are realised. An MPG report on Skills and Employment was completed by Mace in November 2021 and set out the combined impact of projects, including a peak estimated workforce of 117,400 between 2025 and 2028. This work has informed the MPG Skills Action Plan which continues to drive partnership activities, including aligning the projects with regional and national skills initiatives, promoting the extensive labour market opportunities through our Skills Webinar and supporting the development of an online MPG Supply Chain Collaboration Platform that will go live in 2022.

APPRENTICESHIPS

APPRENTICESHIP STARTS

Academic year: 2021/22 (forecast) = 25,600 2020/21 = 22,480 2019/20 = 21,940 Our working groups have enabled collaboration on key issues impacting the SELEP economy, including the development of an enhanced evidence base for coastal work to support prioritisation in delivering the coastal prospectus and wider levelling up. This work included the production of a Coastal Community Health Report, published in September 2021, and has also informed our regional and national responses to levelling up policy on behalf of both SELEP and the wider Catalyst South partnership. The South East Creative Economy Network (SECEN) published their Statement of Intent at the end of 2021, setting out a refreshed portfolio of sector-led pledges for initiatives that can be delivered in partnership. SECEN also joined forces with Arts Council England to publish the SELEP 'Creative High Streets' report which was launched in early 2022 and provides a clear roadmap and practical guidance for any town in the South East, and speaks to all partners on how they can utilise the creative offering in their area to drive communities back onto the

Our Skills Advisory Panel and Skills Working Group have provided vital industry and provider engagement during a period of change, with an updated evidence base and SAP Skills Report Executive Summary produced in early 2022 which is aligned to Local Skills Improvement Plans (LSIPs), support for key initiatives such as the successful Institute for Technology Bid led by South Essex College, and ensuring alignment to the MPG skills work.

high streets.

SELEP's strong industry engagement has continued across the strategic priorities, including through the Housing and Development Group which continued to meet regularly with Homes England and DLUHC officials as well with the Minister of State for Housing, providing direct industry insight into government around key issues including First Homes, Development Finance for SMEs, Phosphates and Nitrates, Planning and Build Out, Affordable Housing and materials and labour shortages.

Our data and intelligence function has been key in supporting activities across the strategy throughout 2021/22 and will continue to inform the work of SELEP and our partners going forward.

WORKING AGE SKILL LEVELS

POPULATION AGED 16-64 (2021)

SELEP

Level 4 qualification and above = 36.3% Level 2 qualification and above = 76.8% No qualifications = 6.0%

JK

Level 4 qualification and above = 43.5% Level 2 qualification and above = 78.1% No qualifications = 6.8%

COVID-19 RECOVERY FUNDS PROGRAME



In 2020, SELEP's Strategic Board approved the use of £4.4 million Growing Places Fund to establish two COVID-19 Recovery Funds, one to develop skills across the region and one to provide business support to small and medium sized enterprises (SMEs). Some of this funding has since been redirected to the core budget, making the total amount being invested in the COVID-19 Recovery Funds Programme £3.9m.

Service providers were contracted in June 2021 to deliver six projects over a period of 12 months, with an additional 12-month impact evaluation period. Three are supporting skills development and three are supporting SME recovery.

These funds are being used to support the recovery of the economy, investing directly in those areas across the South East most affected by the pandemic, and providing businesses with the tools they need to build back stronger.

BUSINESS SUPPORT FUND £2.4m

Starting and Succeeding in Business

£565,000

Provider: WSX Enterprise Ltd

Adapting with Digital

£750,000

Provider: WSX Enterprise Ltd

Supporting the Visitor Economy

£1,050,000

Provider: Visit Kent and consortium partners

SKILLS RECOVERY FUND

£1.5m

COVID Recovery Academy

£1,045,000

Provider: Shaw Trust

Digital Skills Programme

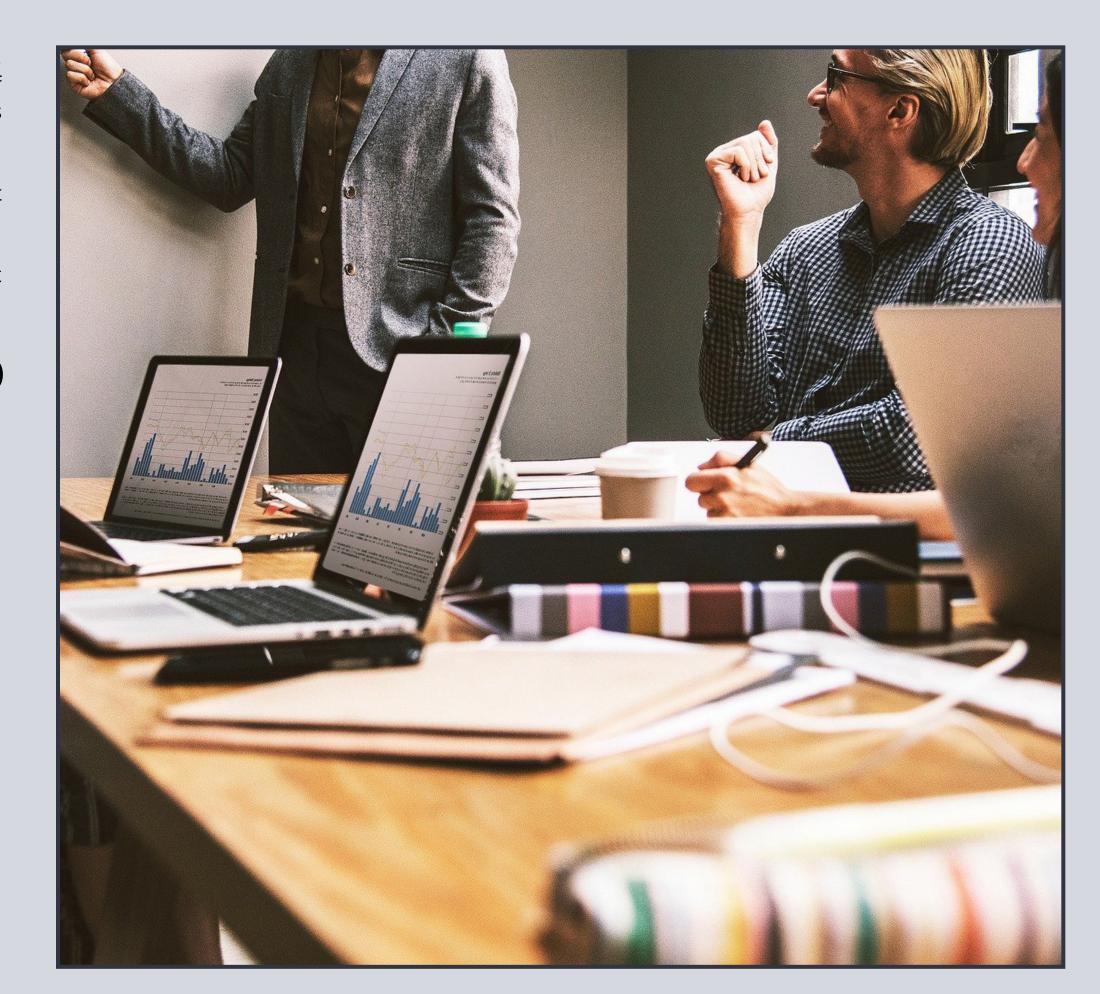
£279,960

Provider: Tech Talent Academy

The Digital Bridge

£300,000

Provider: We are Digital



BUSINESS SUPPORT FUND £2.4m

Starting and Succeeding in Business

£565,000

Provider: WSX Enterprise Ltd

An online programme of:

- business start-up courses;
- 1-2-1 consultations;
- specialist week-long events;
- 24/7 start-up app; and
- portfolio of online learning materials.

A package of learning, advice and mentoring and full support to new entrepreneurs to ensure greater survival and build resilience.

OUTPUTS IN 2021/22 -

- 552 businesses applied
- 318 progressing
- 74% self-referrals; 26% referrals from Growth Hub
- 148 businesses attended a live course or event
- 194 businesses accessed a total of 282 hours of on-demand support
- 676 hours of 1-2-1 support provided across 293 businesses
- 81 applications for 100% grant with 62 progressing
- 19 grants paid out totalling £34,587.82



£750,000

Provider: WSX Enterprise Ltd

A programme of:

- 100% online business support;
- online awareness events;
- workshops/masterclasses;
- 1-2-1s;
- specialist week-long events; and
- a pool of online support resources.

Digital capability and helping businesses to be more resilient and efficient by utilising digital skills is crucial and can make a real difference to the competitiveness of the business.



£1,050,000

Provider: Visit Kent and consortium partners

The Revi-VE programme is a package of support designed to support the recovery of the hard-hit Visitor Economy, delivering long-term resilience and adaptation of the industry to a post-COVID world.

SOUTH EAST

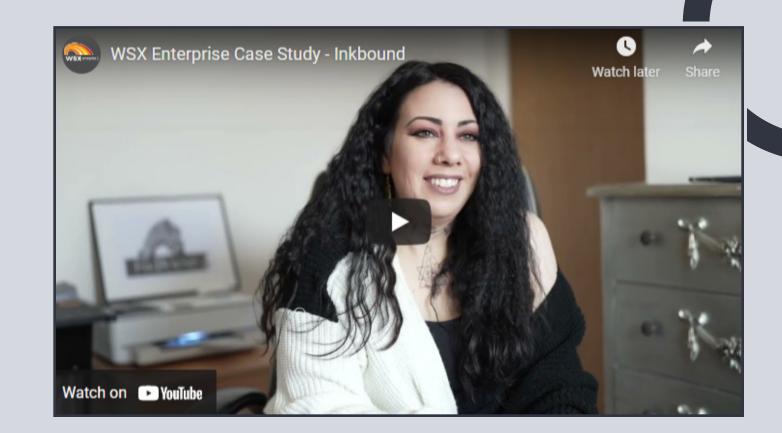
LOCAL ENTERPRISE

PARTNERSHIP

- Element 1 injects businesses with the financial investment they need to respond to changes in the market.
- Element 2 provides a framework for the SELEP region to ensure rapid recovery of the visitor economy so it can be a catalyst for wider place-based recovery and regeneration.

OUTPUTS IN 2021/22

- 325 expressions of interest received for grant scheme
- 139 grants paid out totalling £360,671





SKILLS RECOVERY FUND £1.5m

- COVID Recovery Academy

£1,045,000

Provider: Shaw Trust

A training and skills programme for up to 1,002 people, recently unemployed or redundant due the impact of COVID-19.

Shaw Trust has designed the academy to support individuals to learn new skills and achieve industry relevant qualifications and to move into employment within key growth sectors.

The academy has been offering a tailored programme of courses reflecting the recruitment requirements of employers across the SELEP region.

LOUTPUTS IN 2021/22

- 477 people engaged in the programme
- 105 upskilled and 74 into jobs

Digital Skills Programme

£279,960

Provider: Tech Talent Academy

Providing up to 200 individuals with:

- Training to level 4 in software, data, cyber and cloud skills
- Certification upon completion (in partnership with BCS, Microsoft and AWS)
- Following completion of the course, graduates will be offered a pathway into entry-level jobs in the most in-demand roles as determined by cross sector research on digital and tech skills gaps, through a programme of employer partnerships.

- OUTPUTS IN 2021/22

• 102 commenced or completed training

┌ The Digital Bridge

£300,000

Provider: We are Digital

This is aimed at providing kit, connectivity and access to basic digital training where this is a barrier to work or training.

SOUTH EAST

LOCAL ENTERPRISE

PARTNERSHIP

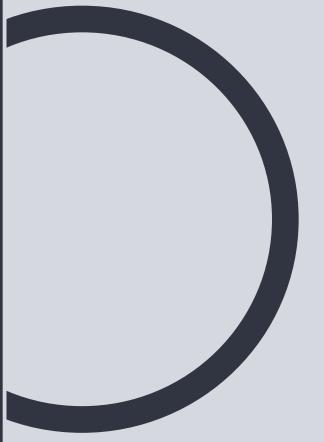
- Online digital training sessions
- A tablet and/or data sim card for eligible customers
- Multi-channel digital skills service which can be accessed via phone, remote trainer, 1:1 in-home and local group centre support across the SELEP region

LOUTPUTS IN 2021/22

- 498 referrals
- 124 people completing or in training
- 88 tablets and 11 SIMs allocated







LOCAL GROWTH FUND



CASE STUDY | LOCAL GROWTH FUND

USP COLLEGE'S XTEND DIGITAL CAMPUS

PROJECT COMPLETION
August 2021

LOCATION

Canvey Island

LGF FUNDING

£900,000

MATCHED FUNDING

£900,000

£578.935M
TOTAL VALUE OF LOCAL GROWTH FUND PROGRAMME

106
TOTAL NUMBER OF LOCAL GROWTH FUND PROJECTS

The LGF programme officially ended at the end of 2020/21. The full £578.9m LGF allocation has been fully committed to projects across the SELEP area and the funding has been transferred to the relevant local authority partners to support the completion of the 106 projects included in the programme.

SELEP continues to track delivery of a number of larger and more complex projects in the programme which remain ongoing.

LOCAL GROWTH FUND SPEND				
	2021-22	TO DATE		
EXCLUDING DFT PROJECTS	£42.35m	£421.048m		
INCLUDING DFT PROJECTS	£45.24m	£517.824m		



BACKGROUND

USP College's brand new XTEND Digital Campus is the first of its kind in the UK. The facilities boast a full range of the newest technologies, including opportunity for end-to-end development of Augmented Reality (AR) and Virtual Reality (VR) applications.

BENEFITS

The campus includes Immersive Rooms, digitalised spaces that will allow teaching with no geographical restrictions, allowing lecturers and specialists to join from off-campus. USP College students will also benefit from working with this state-of-the-art technology, as well as businesses on live briefs as part of the commercial aspect of XTEND Digital.

The campus' commercial enterprise utilises technology such as motion capturing, 3D-imaging, a 360-degree view volumetric capture studio, movement simulators, and VR head-sets to offer businesses the space and tools to create high quality digital content. The business facilities also include the Discovery Suite, a boardroom style space for idea generation and meetings, as well as a full media wall featuring 20 x 46inch HD screens.

GETTING BUILDING FUND



CASE STUDY | GETTING BUILDING FUND

CREATIVE HUB, 4 FISHER STREET

LOCATION Lewes

GBF FUNDING £250,000

PROJECT COMPLETION
Autumn 2021
TOTAL PROJECT COST
£325,550

41 PROJECTS £85M VALUE

£50.66M SPEND IN 2021/22

In June 2020, Local Enterprise Partnerships were invited to put forward projects for the Getting Building Fund. Specifically, Government were looking for shovel-ready capital projects which can be delivered within 18 months.

Nationally, the size of the Getting Building Fund pot totalled £900 million, and SELEP was allocated £85 million.

The overarching objectives of the fund are to drive economic growth, create new jobs and support green recovery. This includes funding to enable:

BACKGROUND

Conversion of a vacant Grade-II listed former office premises in Lewes town centre into a co-working hub for the creative industries.

BENEFITS

- Street level co-working café
- Reception and information point
- Co-working and freelance desk area
- High speed broadband connection with Wi-Fi access as well as fixed terminals
- Contemporary office spaces on floors one and two
- Boardroom and mini conference space

The office spaces are offered on flexible terms to encourage small creative companies to grow. The project will also offer a programme of events and support workshops.



- town and city centre modernisation through targeted infrastructure investments unleashing their longer-term economic potential;
- investment in physical connectivity to improve the functioning of the local economy;
- investment in innovation ecosystem including through improvements to research and development facilities driving up business productivity;
- improvements to human capital; and
- improving digital connectivity, in order to support economic performance, particularly in more isolated areas.

2021/22 marked the final year of the Getting Building Fund programme, with the full £85m GBF allocation committed to projects across the SELEP area. Whilst the delivery of some of the more complex projects will continue, the full GBF allocation has now been transferred to the relevant local authority partners to support the completion of the 41 projects included in the programme.

GROWING PLACES FUND



CASE STUDY | GROWING PLACES FUND

WINE INNOVATION CENTRE

PROJECT COMPLETION

LOCATION

East Malling

GPF FUNDING

£600,000

£39.076M

TOTAL FUND AVAILABLE FOR INVESTMENT AS A RECYCLABLE LOAN SCHEME

£72M

TOTAL VALUE OF PROJECTS SUPPORTED THROUGH GPF INVESTMENT

29

TOTAL NUMBER OF PROJECTS

The Growing Places Fund was made available to SELEP for investment as a recyclable loan scheme. Loan repayment schedules for each project are agreed within the credit agreement which is put in place at the start of the project. Repayments against these projects are returned to the central pot for reallocation to new projects.

GROWING PLACES FUND SPEND				
	2021-22	TO DATE		
DRAWDOWN	£8,216,500	£62,112,542		
REPAID	£5,439,042	£36,075,675		



Spring 2022

BACKGROUND

This project has delivered a Wine Innovation Centre at the East Malling Estate. It complements NIAB EMR's investment in the only UK research vineyard to support Kent's wine sector to develop as global leaders in innovation.

BENEFITS

Whilst viticulture is the fastest growing agriculture sector in the UK, the industry is not yet profitable due to adverse climate conditions and the lack of suitable bespoke agronomy approaches which have a direct impact on crop yields. The Wine Innovation Centre will build on the success of Kent's wine industry and will generate upwards of £1m (over 5 years) in additional annual research and development spend in the region.

Accelerating investment at the site is a priority to ensure that NIAB EMR and its partners remain at the cutting edge of research and innovation.

SECTOR SUPPORT FUND



CASE STUDY | SECTOR SUPPORT FUND

CATALYST FOR CULTURE

LOCATION

Pan-LEP, led by Marlowe Theatre, Canterbury

TOTAL PROJECT COST £299,144

BACKGROUND

Catalyst For Culture was a new partnership between three buildingbased performing arts organisations in Kent, East Sussex and Essex. Lead partner The Marlowe Theatre invited Glyndebourne Opera and the Mercury Theatre, Colchester, to join in the creation of a collaborative programme of live and on-line theatre experiences designed to encourage the early return of audiences after the Covid crisis and to support the region's employed and freelance creative, production and technical workforce in the creation and presentation of new work and digital innovation. It ran from December 2020 to August 2021.

BENEFITS

The partnership was the first of its kind in the SELEP region. Working together the three organisations were able to provide substantial in-kind support; attract, contract and administrate projects with a host of project partners at all scales; ensure quality; provide mentoring; generate substantial public profile for the projects and raise additional funding.

SSF FUNDING £181,700













TOTAL NUMBER OF PROJECTS

£2,069,764
SPEND TO DATE

£2.35M
TOTAL VALUE OF PROGRAMME

£964,261 SPEND IN 2021-22

The Sector Support Fund (SSF) is a £500,000 per year pot to support one-off, discrete pieces of work of a pan-LEP nature with a sector focus that brings demonstrable benefit and has support across the LEP. At the June 2020 meeting a further £1 million was allocated to the SSF programme and it was extended until 31 March 2022 or when the fund is exhausted, whichever is sooner, The criteria was extended to ensure projects act to support the COVID-19 economic recovery and/or support the economy through the EU transition process.

It uses Growing Places Fund 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.

When the Growing Places Fund grant was originally awarded, a proportion of the fund was earmarked as revenue which is being used for the Sector Support Fund.

BUSINESS SUPPORT



South East Business Hub

The SELEP Growth Hub is part of the Government-funded network of 38 Hubs, with one in each LEP area. It is a fully funded, impartial service for businesses and entrepreneurs across the South East area, helping business leaders achieve their growth ambitions.

The SELEP Growth Hub operates under the umbrella of South East Business Hub with three very distinctive delivery arms: Business Essex, Southend and Thurrock (BEST) Growth Hub, Kent & Medway Growth Hub and Business East Sussex Growth Hub.

2021-22 continued to be a challenging year for enterprise across the South East, and our Growth Hubs' business navigators worked hard to provide light-touch, high-volume support to the many businesses who got in touch for guidance on funding options, skills and training programmes, networking opportunities and more.

Thanks to additional funding received in response to the COVID-19 pandemic, delivery of the Growth Hub service continued successfully and uninterrupted through 2021-22. Activities included the provision of business navigators and advisors, delivery of the Peer Network programme, cluster work with Greater London Authority and Hertfordshire LEP, and the piloting of a Decarbonisation Advisor in Kent and Medway.

The South East Cluster (a collaboration between London Business Hub, Hertfordshire Growth Hub, and the South East Business Hub) delivered several activities that further enhanced the business support provision in London and the South East. These included a South East wide telemarketing campaign, new series of Business Ready podcasts and a series of Knowledge & Information sessions for business navigators around current national programmes, support schemes and other relevant topics.

SOUTH EAST BUSINESS HUB IN NUMBERS SERVICE IMPACT 3,375 80.5%

41,029UNIQUE VISITORS TO THE GROWTH HUB WEBSITE

BUSINESSES HELPED

IN 2021-22

3,698
REFERRALS WERE MADE TO OTHER PROVISIONS SUCH AS MENTORING, SKILLS AND TRAINING, FINANCE AND FUNDING, R&D AND INNOVATION AND IMPORT AND EXPORT

OVERALL SATISFACTION RATING

ACROSS THE GROWTH HUBS

South East Business Hub

BEST
FOR BUSINESS SOLUTIONS
Business Essex, Southend and Thurrock



Business

EastSussex
Supporting better business

South East Business

KENT & MEDWAY Growth Hub

Your gateway to business growth

FINANCIAL POSITION



FUNDING SUMMARY AS AT 31st MARCH 2022

Essex County Council (ECC) is the Accountable Body for SELEP; in this capacity it manages all financial transactions on behalf of SELEP, including receipt and payments of grants, overseeing contract management with suppliers and ensures that the Partnership has sufficient cash flow.

The SELEP Accountability Board agrees an annual operational spend each year which covers the running costs of the LEP's Executive Team and Boards, including staff salaries, office expenses, publicity and marketing, and professional fees.

The operational spend is funded through core funding from the DLUHC, match funding contributions from partners and interest received on cash balances invested by the Accountable Body on behalf of SELEP. Any surplus or deficit held at the end of the financial year is managed through the operational reserve.

ECC administers the capital and revenue grants that have been received from Government, on behalf of SELEP, in accordance with the agreed decision making and governance arrangements of the LEP.

INCOME (£'000s)	2021/22
REVENUE GRANT FUNDING	(3,001)
COVID-19 GRANT FUNDING	(2,191)
CONTRIBUTION FROM PARTNERS	(150)
OTHER CONTRIBUTIONS	(37)
INTEREST RECEIVABLE ON CAPITAL BALANCES	(47)
TOTAL INCOME	(5,426)

EXPENDITURE (£'000s)	
STAFFING	1,427
MEETINGS AND ADMIN	40
CHAIR & DEPUTY CHAIR ALLOWANCE WITH ON-COSTS	46
CONSULTANCY AND PROJECT WORK	284
GRANTS TO THIRD PARTIES	4,316
TOTAL EXPENDITURE	6,113

NET OPERATIONAL SPEND FUNDED FROM RESERVES	687

CAPITAL GRANTS (£'000's)	OPENING	FUNDING	FUNDING	CLOSING
CAPITAL GRANTS (£ 000 S)	BALANCE	RECEIVED	APPLIED	BALANCE
LOCAL GROWTH FUND	5,146	0	(5,146)	(0)
LOCAL GROWTH FUND (RETAINED SCHEMES)	8,399	0	(8,399)	0
GROWING PLACES FUND (LOAN FUND)	16,817	5,439	(9,217)	13,040
GETTING BUILDING FUND	0	42,500	(42,500)	0
TOTAL CAPITAL GRANTS	30,362	47,939	(65,261)	13,040

REVENUE GRANTS (£'000s)				
GROWING PLACES FUND / SECTOR SUPPORT FUND	2,381	0	(2,078)	303
GROWTH HUB - CORE FUNDING GRANT	0	890	(890)	0
GROWTH HUB - PEER NETWORK GRANT	0	112	(112)	0
ERDF LEGACY FUNDS	350	0	(350)	0
SKILLS ADVISORY PANEL (SAP) GRANT	0	75	(75)	0
LOCAL DIGITAL SKILLS PARTNERSHIP CATALYST GRANT	37	75	(83)	29
DELIVERING SKILLS FOR THE FUTURE	1	0	(1)	0
ENERGY STRATEGY GRANT	7	0	(6)	1
DEVELOPING HIGH STREETS	10	10	(20)	0
CORE FUNDING	23	500	(523)	0
TOTAL REVENUE GRANTS	2,808	1,662	(4,137)	333

SELEP CREDITORS	284	16,491	0	16,776
SELEP SHORT TERM DEBTORS	(60)	0	(12)	(71)
SELEP COVID-19 RESERVES*	4,493	0	(2,631)	1,861
SELEP REDUNDANCY RESERVE	0	275	(112)	163
SELEP FUTURE COMMITMENTS RESERVE	0	423	0	423
SELEP RISK RESERVE	0	975	0	975
SELEP OPERATIONAL RESERVES	972	2,003	(1,673)	1,302

33,170

TOTAL SELEP FUNDING HELD BY ECC AT 31ST MARCH 2022	38,860	69,769	(73,827)	34,801
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*Reserves established to support the delivery of COVID-19 Recovery Funds

49,601

(69,399)

13,373

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TOTAL GRANTS

OUR FUTURE A MESSAGE FROM THE DEPUTY CHAIR

Times are changing. We are all having to adjust our ways of life in response to world events. How we live, consume, trade, work and run our businesses—we must all adapt to a shifting economy and the new set of challenges we are facing.

The nature of the LEP's work means that we are constantly reviewing how we respond to these shifts, to ensure that we are best-placed to support the South East's residents and businesses. In the midst of the pandemic, that meant providing training and financial aid through our COVID-19 Recovery Funds Programme, utilising our skills agenda to help those affected, and planning our future areas of work through our Economic Recovery and Renewal Strategy.

Now, we are putting that strategy into practice. Our Major Projects Group and skills subgroup continue to highlight the opportunities presented by planned future growth across the South East—supply chain opportunities for local businesses, skills training opportunities for residents, and growth opportunities for the whole South East economy.

Our work for the creative sector is more important now than ever in light of the pandemic, which created challenging conditions for tourism and the arts. Last year, we partnered with Arts Council England and We Made That to produce Creative High Streets, a report that aims to tackle the dual issues of struggling creative businesses and our fading high streets. It provides clear guidance on the decisive action that can be taken by the cultural and creative sector and other local partners to breathe new life into our high streets.

Skills, as ever, remain an important part of our work. In March, we took part in the national European Social Fund Celebration event and shared highlights and headlines from across the SELEP area, including the 44,000 people that have been supported to date. The outcomes that the LEP has achieved for South East residents is staggering, and our work is now evolving. To bolster its potential, our Digital Skills Partnership will be rolled out across the Catalyst South area—a strategic alliance of six Local Enterprise Partnerships across the South of England.

Our new Strategic Network is up and running, ready for our future direction of work which is focused on three areas—Our Strategy, Our Network and Our Delivery—drawing on the key priorities as set out in our Economic Recovery and Renewal Strategy. We have laid the groundwork to use our influence, our partnerships and our existing body of work to help boost the economy of the South East by encouraging collaboration and investment in the years to come.

Our work is evolving, but at its core remains the driving force of partnership that guides everything we do—lifting the voice of businesses in the South East, collaborating across public and private sectors and working to ensure that our businesses and our communities are able to thrive. We will continue to champion our business community, and we are grateful for the strong and experienced voices of our board members and Federated Boards that help to shape our work and guide us in these endeavours.





SARAH DANCE
DEPUTY CHAIR
SOUTH EAST LEP



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