



LLEP ANNUAL REPORT

April 2018 - March 2019

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Watch our LLEP overview video

Look out for the **QR Codes** throughout the report and scan them with a smart phone to watch a short video on our work across Leicester and Leicestershire.

FOREWORD FROM THE CHAIR



The Leicester and Leicestershire Enterprise Partnership (LLEP) and its partners have made significant progress over the last 12 months and I am pleased to present our Annual Report for 2018-19 to highlight these achievements.

2018-19 has been another exciting year. We have seen major developments in some of the key investments made by the LLEP, and key changes to our governance and structure. This year we received an 'exceptional' rating for delivery and 'good' rating for governance, once again highlighting the strength of our foundations as we continue to create economic prosperity in our region.

A major milestone for the LLEP came in September 2018, with the opening of MIRA Technology Institute (MTI). Built with a £9.5 million grant from our Local Growth Fund, MTI is at the cutting edge of automotive technology skills. Advances in autonomous vehicles are only possible due to innovations in the field of artificial intelligence. MTI exists to train the automotive engineers of the future; we are proud to support the skills of the future in our region.

In October 2018, a planning application was submitted for the first phase of Space Park Leicester – an ambitious project to establish Leicester as the UK's capital of space innovation. Space Park Leicester is a collaboration between the LLEP, the University of Leicester and Leicester City Council. Situated at Leicester Waterside, a site within the Loughborough and Leicester Science and Innovation Enterprise Zone, Space Park Leicester will become an international hub for space research, teaching and innovation. When completed, the estimated benefits to the regional economy are £715 million and 2,500 jobs in the wider supply chain.

We have committed almost our entire European Structural and Investment Fund programme with £101 million invested to date. In November 2018 we published calls for projects to help graduate retention and promote innovation in low-carbon technologies.

Our Enterprise Adviser Network was successful in becoming one of only twenty Careers Hubs in the country. The Hub was officially launched in January 2019 and will help us build on our achievements, ensuring that every student in Leicester and Leicestershire has the tools to succeed in the world of work.

In February, we approved a Growing Places Fund loan of £750,000 for Norton Motorcycles – one of Leicestershire's most iconic brands. This funding will help expand Norton's manufacturing capabilities at Donington Hall. The company is set to become a major employer in the region: over 80 new jobs will be created in North-West Leicestershire including highly-skilled engineering roles.

Our growth hub, the LLEP Business Gateway, has now been operating for four years. During this time, it has received enquiries from over 4,700 businesses and provided intensive support for around 1,000 of these.

We launched our Local Industrial Strategy (LIS) Prospectus for Leicester and Leicestershire during 2018 and as a result we were included as one of six Wave Two Local Enterprise Partnership areas invited to prepare a Local Industrial Strategy (LIS). This is a huge priority for us, as the LIS will define investment priorities for the region for years to come.

As we embark on a period of consultation, research and planning, we're confident that we can achieve our long-term vision for Leicester and Leicestershire due to the strength of our businesses, the character of our people and the untapped potential of our region.

Kevin Harris
Chair of the LLEP

VISION AND PRIORITIES 2018-19

At the outset of 2018-19, our key priorities were:

- The presentation of our Local Industrial Strategy (LIS) prospectus to central government.
- The construction of our LIS evidence base through public consultation.
- Appoint a new Chair of the LLEP.
- Implement changes to our governance structure.
- Securing, establishing and launching our Careers Hub for Leicester and Leicestershire.
- Publishing the findings of our Skills for the Future research.
- Publishing our Energy Infrastructure Strategy.
- Committing the remaining funds from our European Structural and Investment Fund allocation.

Local Industrial Strategies are long-term, based on clear evidence and aligned to the UK's Industrial Strategy. After preparing our Local Industrial Strategy prospectus and presenting it for consideration, we were delighted to be chosen as one of only six Local Enterprise Partnerships (LEPs) in 'wave two' of LIS implementation.

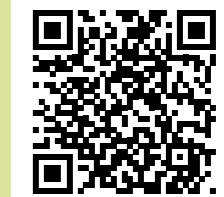
To develop our LIS, we conducted a listening exercise, inviting economic stakeholders throughout the region to submit evidence to us. During this process, we liaised with local business leaders, local authorities and other contributors to the local economy. Once complete, we commenced the task of analysing the evidence submitted and began constructing our evidence base for the LIS.

This year Nick Pulley's term as Chair of the LLEP came to an end after four years at the helm. Kevin Harris, Partner at RSM UK, was appointed to the role until June 2020.

The LLEP has revised its Local Assurance Framework following the review of the National Assurance Framework for LEPs. This year we have implemented the recommendations following the review of LEP roles and responsibilities published in summer 2018.

We presented our case to the Careers and Enterprise Company for a Careers Hub for Leicester and Leicestershire and we were successful in securing one of only 20 Careers Hubs in the country. Our Careers Hub was officially launched in January 2019 and will further develop the work of our Enterprise Adviser Network. We have seen great success in engaging with partners in business to enhance careers education in schools and colleges.

We published the findings of our Skills for the Future research and consultation exercise in November 2018. This important document is crucial for identifying skills needs for each sector of our local economy. It provides vital data to understand how best to direct investment in skills provision for the future. The report forms part of our LIS evidence base, our approach to the government's new T-level qualifications and our support for careers delivery.



Watch a video overview of our vision and priorities

We have worked to commit more of our remaining European Structural and Investment Funds allocation, and have launched calls worth almost £27 million across a range of funding streams including ERDF PA1 (innovation), worth £1.9 million, and PA4 (low-carbon), worth a total of £6 million.

In November 2018 we published our Energy Infrastructure Strategy, which sets out proposals for how we plan to invest in green and low-carbon technologies. The green economy is set to create thousands of jobs and change approaches to investment and development in the coming decades. We want to make our region a hub for low-carbon infrastructure, transport and homebuilding.

We once again supported the Leicester Business Festival, which brings together economic stakeholders from across the region. The successful two week festival saw a 16% increase in business engagement, with nearly 1,300 businesses participating. 87% of these felt Leicester Business Festival had a good impact on them or their business.



MAJOR INVESTMENTS MAP 2018-19

The LLEP has invested in over 40 projects and programmes in recent years. This map details some of the major projects that saw progression or completion during 2018-19.



Grow on Space (1)

The project will comprise the development of a new high-quality building on the existing Business Park situated south of Market Harborough town centre. The site offers excellent access from the A508 linking to the A6 trunk road, and motorway networks via the A14 that connects the M1, M6, and M11.

Total LLEP project investment £987,833

MIRA Technology Institute (2)

The MIRA Technology Institute (MTI) was opened in September 2018. A 2,192m2 hybrid building comprising classroom space and workshop/laboratory space, the new facility forms part of MIRA Technology Park.

Total LLEP project investment £9.5m

Midlands Mainline line speed improvement (Market Harborough) (3)

The scheme to improve journey times on the Midland Mainline has seen improvements at Market Harborough railway station, with a new car park and other improvements now in place.

Total LLEP project investment £6m

Connecting Leicester (Market Area) (4)

New development sites for commercial, retail and leisure activities are being developed, improving footfall and increasing economic activity. The project aims to redress the economic balance of Leicester city centre, after a period of low growth in the southern sector.

Total LLEP project investment £7.2m

River Soar Flood Risk Management (5)

Further improvements have been made along Leicester's River Soar, which will see 2,000 homes safeguarded and over £20 million worth of savings in flood damage repair. This will create the necessary conditions for more investment in the Waterside area.

Total LLEP project investment £7.5m

Loughborough town centre regeneration (6)

A reimagining of Loughborough Town Centre through improvements to the public realm and inward investment in shopping, leisure and housing opportunities.

Total LLEP project investment £733,000

A50/A6 Leicester north-west transport corridor (7)

Further progress has been made on a major road network improvement that will be ongoing until 2021. Increased accessibility will facilitate investment in housing and commercial space to the north west of the city of Leicester.

Total LLEP project investment £16.2m



GROWTH DEAL

Our Local Growth Fund (LGF) is our flagship capital investment programme, with a total value of £126 million. In 2018-19, we allocated £15.6 million, with outputs including over 400 jobs and 500 new homes, 2,191m² skills floor space and 3,500 learners have gone through the MIRA Technology Institute and Leicester College (see case studies, right). In total, 20 transport, infrastructure, skills and commercial projects have been supported by the fund.

LGF project developments in 2018-19:

- The **A50 transport corridor** began phase two of development, which will improve movement and accessibility in to and out of Leicester, and in phase two mitigate the impact of developments elsewhere in the region. **£1.99 million**
- **MIRA Technology Institute** was completed and opened (see case study). **£9.5 million**
- The **Leicester Waterside** development gained full possession of the site and began to prepare for demolition of existing buildings to make room for development. The vision for the Leicester Waterside includes new homes, a new school and a new commercial centre. **£0.87 million**
- **North City Centre access** investment programme continued to deliver on schemes including highway improvement, and cycle and pedestrian facility upgrades to enhance traffic flow and accessibility. **£3.3 million**
- Several schemes completed as part of the **River Soar flood risk management strategy**. These include improvements to the Loughborough Road bridge flood-defence wall, which will reduce flood risk to over 600 homes and businesses. **£1.7 million**
- Work started on developing commercial workspace at **Vulcan Park** in Coalville. **£2.34 million**
- The building extension at the **National Space Academy** has gained planning permission, while the **Space Park Leicester** project has made good progress, with plans to hand over the site to the University of Leicester in early 2019-20. **£3.54 million**

All of our outstanding Local Growth Fund projects are now either underway or at an advanced planning stage.

MIRA Technology Institute

2018-19 saw the completion of the biggest skills project to be supported by our Local Growth Fund. MIRA Technology Institute (MTI) – situated within MIRA Technology Park, one of our two Enterprise Zones – is a state-of-the-art learning facility designed to train the automotive engineers of the future. The building itself has classroom, workshop and laboratories, as well as a large conference/lecture space. It was built following a £9.5 million LGF grant from the LLEP, and is the eighth LGF project to be completed.

The MTI facility will train 2,500 people per year, in a range of automotive and management disciplines. The level of qualifications offered at MTI ranges from level 2 (GCSE) to level 8 (PhD). The ambition is to bridge the skills gap in the UK automotive sector and to become a global centre of excellence. MTI will nurture specialist skills in new disruptive technology areas such as electrification and driverless cars. The UK's automotive workforce of the future will be trained here, ensuring a sustainable supply of technical specialists and engineers.

Education is key to the success of the project. As such, HORIBA MIRA is working in partnership with North Warwickshire and South Leicestershire College, the University of Leicester, Loughborough University and Coventry University. In future, MTI will open its doors to local schools with the hope of inspiring children and young people to pursue a career in automotive engineering.

MIRA Technology Institute is intrinsically linked to central government's Industrial Strategy: its work seeks to address at least two of the 'grand challenges' concerning artificial intelligence and the future of mobility. As such, MTI will be at the forefront of our thinking as we put together the Local Industrial Strategy for Leicester and Leicestershire.

Leicester College

Leicester College received a £3.27 million LGF grant to expand its specialist provision of vocational motor vehicle engineering and construction. Phase one of the project at the Abbey Park campus opened in 2015, and was one of the first LGF project to be completed in the UK.

Phase two saw Leicester College's Freeman's Park campus refurbished and updated. Existing workshops have been refitted with the latest equipment, and the college's Renewable Technologies Centre was opened during the 2017 Leicester Business Festival.

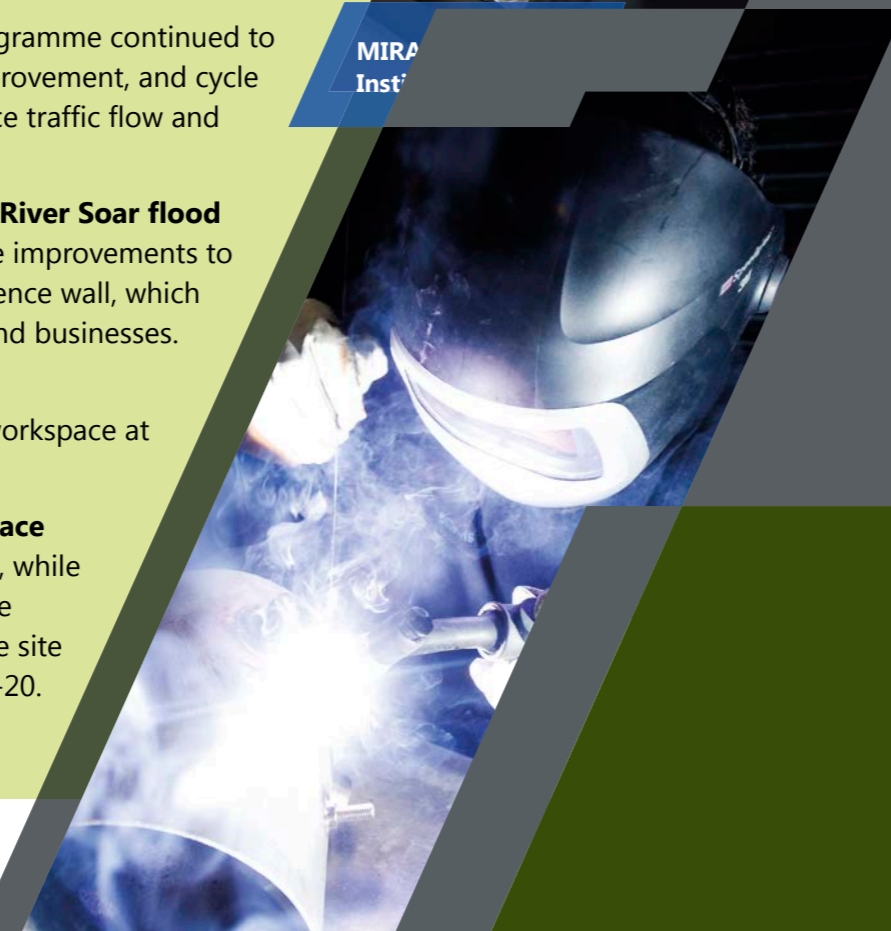
As with MTI, the motor vehicle engineering facilities will help bridge skills gaps and train the automotive workforce of tomorrow. The investment in the carpentry, joinery and manufacturing facility has been a significant driver in supporting the phased implementation of technical certificates, advanced technical diplomas and the latest apprenticeship standards within the curriculum. It is important that young people have access to skills training in local further education institutions, and is something that we at the LLEP are proud to support.

Leicester College has consistently over-achieved against the targets for this LGF project. The target for learners graduating from automotive courses by September 2018 was 549. However 915 students had gained high-value qualifications by this point.

The new motor vehicle building has enabled the area to deliver good quality study programmes that allow students to develop the key skills and attributes needed to progress into jobs within the automotive sector. Early predictions show that high achievement in the engineering curriculum area is set to reach 88% - up 13.7% on the previous year. Motor vehicle is expected to increase by just over 18%. Across the area 16 out of 23 courses are set to achieve results 4% above the national average.



MIRA
Insti



Watch Leicester
College Growth
Fund case study

Leicester
College



EUROPEAN STRUCTURAL AND INVESTMENT FUNDS (ESIF)



The European Structural and Investment Funds (ESIF) programme supports investment, growth and job creation across the EU. Here in Leicester and Leicestershire, we were allocated an indicative £112.5* million ESIF funding, to be committed through the LLEP. We committed nearly £27 million to local projects during 2018-19.

ESIF funding is split into three separate funds - European Regional Development Fund (ERDF), European Social Fund (ESF) and the European Agricultural Fund for Rural Development (EAFRD). The EAFRD programme closed during 2018.

The £26.9 million funding committed in 2018-19 was split between the projects, with £13 million to ERDF and £12 million to ESF. In November 2018 we launched the PA1 (innovation) ERDF call for £1.9 million funding for projects that advance the field of artificial intelligence.

During Leicester Business Festival, we launched the ERDF PA4 (low-carbon) call, for a total of £6 million for low-carbon and green innovations. The launch of the call at Leicester Business Festival 2018

leveraged our captive audience and maximised our impact. Funding under PA1 is now fully committed.

Our ESF call for a graduate retention scheme for Leicester and Leicestershire closed in December 2018. A healthy number of project applications were received, all of which were put forward for consideration.

The ESIF Committee has endorsed approximately £10 million ESF, to be matched with opt-in funding from the Department of Work and Pensions (DWP), the Education Skills Funding Agency (ESFA) and the Big Lottery Fund.



Construction begins at Harborough District Grow on Space

Case Study:

Harborough District Grow on Space

During 2018 construction began on Harborough District Council's Grow on Space project, that will provide prime office space for businesses looking to expand and grow. The project is part-funded with a £3.28 million ERDF grant and another £987,833 from the Business Rates Pool fund managed by the LLEP. Harborough District Council has committed £4.27 million to the scheme.

Grow on Space is located at Compass Point Business Park in Market Harborough, and is being built to high environmental standards. Once complete, the development will accommodate approximately 230 new jobs, and will bring in £20 million to the local economy over the next five years.

The development will offer commercial spaces ranging from 93m²- 279 m². The project will accommodate businesses looking to upscale, and aims to make Harborough District an attractive location for growth-minded organisations.

This project follows the success of the Harborough Innovation Centre, which provides office space for start-up and new businesses. Harborough District Council developed the centre with ERDF funds secured under the ERDF Programme 2007-13 and opened the site in 2011.



*ESIF funds value based on Euro exchange rates 2018-19

ENTERPRISE ZONES

Enterprise Zones (EZs) convey advantages to the businesses that are based there. In Leicester and Leicestershire, we have two EZs, with specialisms including advanced engineering and manufacturing, automotive, life sciences and space industries.

MIRA Technology Park Enterprise Zone

In November 2018, MIRA's offer was strengthened by the completion and opening of the MIRA Technology Institute (MTI). The MTI was funded by a £9.5 million grant from our Local Growth Fund allocation, and as such is one of the jewels in the crown of LLEP investment in Leicestershire's industrial and educational infrastructure.

In another coup for MIRA Technology Park, a deal was signed in January 2019 to secure a long-term partnership with ClearMotion Inc. ClearMotion is a global automotive company, specialising in proactive suspension technology. This will see extensive growth of its facilities at MIRA, including a ten-fold increase in floor space and new office, workshop and ancillary buildings.

Loughborough and Leicester Science and Innovation Enterprise Zone

This Enterprise Zone comprises of three unique sites across Loughborough and Leicester.

Charnwood Campus, as well as having EZ status, is the UK's first Life Sciences Opportunity Zone (LSOZ). The life sciences sector contributes £150 million gross value added (GVA) and employs 3,600 people across 130 businesses in Leicester and Leicestershire. LSOZ status means greater collaboration between academia and industry to drive forward the life-saving discoveries of tomorrow.

3M has moved its Drug Delivery Division research and development lab to Charnwood Campus. 3M's work in life sciences, pharmaceuticals and cutting-edge med tech makes it one of the most innovative enterprises in Leicester and Leicestershire.



Loughborough University Science and Enterprise Park (LUSEP)

Loughborough University Science and Enterprise Park (LUSEP) saw a major development in February 2019, as work began on a new office block comprising 9,290m² of modern commercial space. The new building will be the global headquarters for The Access Group, and will provide space for 500 new jobs once opened.

Wilson Bowden plans to develop its land within the LUSEP EZ for advanced manufacturing companies. This project has been brought forward due to our £12 million Local Growth Fund support for the M1 J23/A512 project that will deliver junction and road improvements to increase capacity and ease congestion, unlocking significant land for new homes and employment.

Leicester Waterside has seen a major project underway for much of the year. Construction of new hotels, office space and a new 'super crossing' to link Leicester Waterside to the city centre will open up a new economic space and provide new opportunities. The disused Great Central Railway station will also be renovated for commercial use.

Pioneer Park, part of the Leicester Waterside EZ area, has outlined plans to construct a new commercial workspace. The new building would provide 14 individual office units, ranging from 75 – 130m² adjacent to existing facilities at Dock.

Case study:

Access Group

Access Group is a software firm, which delivers solutions to help businesses and other organisations work efficiently. Its development at LUSEP will allow a new partnership between LUSEP and Leicestershire County Council to come to fruition, as the Access Group project will generate funding for front-line council services worth around £1.6 million per year.

The Access Group has a strong reputation for innovation, and as such is a perfect fit for LUSEP which exists to support the high-skill, pioneering jobs of tomorrow, delivered by agile, innovative businesses.



GROWING PLACES FUND (GPF)

Our Growing Places Fund (GPF) is a £12.6 million loan scheme, specifically designed to boost local transport, infrastructure and commercial development plans.

It is directed at projects which are currently stalled, or development proposals which can be accelerated with an injection of short-term loan funding. To date we have awarded 10 loans totalling £13.5 million. Through successfully managing the repayments we are able to offer loans totalling £10.8 million in 2019.

Case study:

Norton Motorcycles

Leicestershire-based business and legendary motorsport marque Norton Motorcycles has been granted a £750,000 loan from our Growing Places Fund.

Norton Motorcycles, which was bought by local businessman Stuart Garner in 2008, will use the loan to develop manufacturing capabilities at its base at Leicestershire's Donington Hall. The loan will help create 100 new jobs in North West Leicestershire whilst securing the economic future of an iconic brand and site.

Stuart submitted a robust business plan to us as part of his GPF loan application. Norton plans to construct a new manufacturing centre at Donington Hall, to facilitate the development of its new 650 range of motorcycles.

The development will enable Norton to create 80 new jobs whilst building 930m² of new manufacturing space. In addition, 20 jobs will be created indirectly – either during the construction phase or within Norton's supply chain. The economic benefit to this area of North West Leicestershire was a major reason

for the support of the plan by the LLEP. We approved the loan, which will be matched with a £750,000 investment in land, labour and construction costs from Norton itself. The total investment in the project is £1.5 million.

The 650 range of motorcycles will become Norton's biggest seller in the coming years. Currently, their Commando 961 sells around 500 units per year. By 2023, Norton anticipates orders of 2,000 units of the new 650 motorcycle, 80% of which will be sold via the export market. It is estimated that this will generate revenues of £25 million per annum. Norton's recently-signed £20 million export deal with Japan has further boosted its strength, and by 2024 it is projected to be an £80 million turnover business, employing an additional 100 highly-skilled engineers.





ENERGY INFRASTRUCTURE STRATEGY

Over the coming decades, developments in low-carbon technologies will create thousands of jobs and necessitate large investment and changes in infrastructure.

During 2018 we worked in partnership with Leicester City Council and Leicestershire County Council to commission an Energy Infrastructure Strategy and implementation plan for the LLEP area.

We published our strategy in November 2018 in order that businesses in our region can be at the forefront of developments in the low-carbon economy.

Leicestershire is ideally located to reap the benefits of new green technologies. By improving our energy infrastructure, the region can further bolster the booming logistics sector, and provide low-energy homes of the future to residents.

The opportunities for Leicestershire businesses in the low-carbon sector can't be overstated. Leicestershire is home to two Enterprise Zones where some of the most innovative companies in the UK are based, currently working on new technologies to reduce carbon emissions and improve the environment and quality of life.

The strategy is segmented in to three targeted themes:

- Improving the energy efficiency of our homes and businesses, and supporting clean growth

- Accelerating the shift to low-carbon transport
- Delivering clean, smart, flexible power

Project opportunities identified in the report cover:

- Planning policy to improve the energy efficiency of our homes
- Low-carbon development on local authority land
- One-stop shop for energy efficiency retrofit for homes and businesses
- Supporting the use of electric cars and vans
- Strategic plan for HGV refuelling and rapid charging hubs
- Providing low-cost and low lead-time connections for new demand customers on the electricity grid
- Strategic plan for renewable electricity generation deployment

Projects such as homebuilding are subject to central government policy. That is why we have sought – in certain areas – to tally with what other LEPs are proposing. The aim is to present a united front on low-carbon development to central government, with the hope of influencing future policy decisions and making it easier to build low-energy homes.

After wide consultation, with hundreds of organisations lending their input, local businesses can be confident that their priorities have been considered in detail in this strategy, resulting in projects and targeted investment that will help them to blossom in a new green economy.

The strategy accounts for local and national government policy and will feed into the development of the LLEP's Local Industrial Strategy.



Read the LLEP energy infrastructure strategy

ENTERPRISE ADVISER NETWORK

Our Enterprise Adviser Network (EAN) continues to be a trailblazer. In 2018, we were successful in securing one of only 20 Careers Hubs in the country. We continue to grow the network with a focus on creating links between education and business. Our goal is always to inspire young people for their futures by ensuring they are informed about the career opportunities available.

Over three-quarters of mainstream schools and colleges in Leicester and Leicestershire are now part of the EAN. They are working in partnership with Enterprise Advisers (EAs) from the business community, to enhance careers education in our region. The publication of the government's careers strategy and the introduction of the 'Gatsby Benchmarks for Good Careers Guidance' underlines the impact and importance of the role the EAN has in our schools and colleges.

Our EAs are local business leaders who offer their valuable time and expertise to help bridge the gap between education and industry. They come from all sectors of industry and businesses of all sizes. Partner employers include Crown Packaging, AXA PPP Health Care, Everards of Leicestershire, East Midlands Airport, Sempervox, Seventy-Nine PR, McDonalds, Shelton's Coffee and Leicester City Football Club, to name just a few.

Our goal remains to increase the number of quality interactions young people have with business leaders, to expand their horizons, and give them meaningful insight into the world of work.

Engagement

We've continued to widen our engagement with schools and colleges through innovative platforms like our Skills for the Future event, led by the LLEP skills team. The event provided schools with labour market information on the logistics sector, and was aimed at teachers, school heads and careers educators to increase their awareness of Leicester and Leicestershire's key employment sectors.

In May 2018 we launched an Employer Engagement Toolkit through our skills and CEC teams. This has been extremely well received across the EAN and has been adopted nationally by the Careers and Enterprise Company (CEC) for all other EANs in England. It's a resource to help schools develop sustainable relationships with employers who can support them to offer their students more real-life workplace experiences.

Gatsby Benchmarks

This year the links between education and business are further strengthened with the introduction of the 'Gatsby Benchmarks for Good Careers Guidance.' This is a national framework for schools and colleges to build their careers plans around, with support from LLEP enterprise coordinators and advisers. We are pleased to report schools and colleges have made significant progress working towards the benchmarks. Leicester and Leicestershire is now the third-best performing region in the country.

Careers Hub

Leicester and Leicestershire is one of only 20 areas in the country to be awarded a Careers Hub as part of the government's careers strategy. We are extremely proud of the 20 schools and colleges that make up the careers hub, which was formally launched in January 2019 by Claudia Harris, CEC chief executive.

The Careers Hub currently consists of a pilot group spread across all parts of Leicestershire, with a cluster in Leicester itself. The hub works collaboratively with our local universities, training providers, employers and careers professionals to work towards meeting the Gatsby Benchmarks.



GROWTH HUB - LLEP BUSINESS GATEWAY

Our growth hub, the LLEP Business Gateway, has been operating for four years. During this time, it has had enquiries from over 4,700 businesses and intensively supported around one thousand.

The LLEP Business Gateway was delivered in partnership with East Midlands Business and East Midlands Chamber up to December 2018 when the first round of ERDF funding ended. A new ERDF partnership contract commenced at the beginning of 2019. The growth hub is also funded by the Department for Business, Energy and Industrial Strategy (BEIS). This funding combination ensures the service is free and impartial for businesses wishing to access support.

Growth hubs exist primarily because evidence indicates businesses that access external support do better than those that don't. The Business Gateway provides businesses in Leicester and Leicestershire with simplified access to business support providers. It works as a result of strong partnerships across the public and private sectors.

The service we provide is supported by business advisers who offer tailored support; they help local businesses to understand both opportunities and barriers to growth and signpost them to support

schemes. Our purpose is to ensure that small and medium enterprises (SMEs) receive impartial support, and to provide the right help for any client, wherever they are based in Leicester and Leicestershire.

As well as excellent support offered by the business advisers there is also a comprehensive workshop programme focusing on specific business topics. These include marketing, exporting, accessing finance, and intellectual property protection. During 2018-19, the growth hub delivered 30 workshop sessions which were attended by 619 delegates.

As part of our goal to facilitate entrepreneurship and promote Leicester and Leicestershire as a great place to do businesses, the growth hub proudly supported the Leicester Business Festival (LBF). In 2018, LBF saw a 16% increase in business engagement, with over 1,280 businesses participating in the festival. 87% of these felt LBF had a good impact on them.

Ash Shah (r), World Products Ltd. Director, and inside the business' new premises



Watch the video case study

Case study:

World Products

World Products Ltd was founded in 2010 and is a family business specialising in online grocery and beauty product sales. They contacted the LLEP Business Gateway as they wanted to improve distribution links across the world and sell to new markets including the USA, Japan and Australia.

Aruna Bhagwan, one of our business advisers, helped them to plan and progress their ambitions. Aruna supported World Products with advice on employment, health and safety, and other essential aspects of business growth.

Ash Shah, World Products Ltd. Director, said:

"I think the most beneficial thing that Aruna did for us was put us in contact with people who could help us make decisions that were crucial for our business.

"Sometimes when you're building your business, it's difficult to see where you're

going. Aruna opened doors for us that we didn't think were possible and enabled us to grow. We've just moved into new premises and we employ ten people.

"Our staff have been given development opportunities through us working with the Growth Hub adviser, with some attending a social media training course, for example. We've also taken on two apprentices who have been provided with extra training on top of their apprenticeships scheme.

"The Business Gateway has given us an injection of enthusiasm within the company. Two years ago, we were based in a very small office. The gateway helped us to see where we wanted to go and understand when we need to make calculated business decisions to take us to the next level. All of this has improved our sales, our structure and the overall commitment from our team here at World Products Ltd."

COMMUNICATIONS AND ENGAGEMENT



This has been a busy year for the communications and events team. We have welcomed new team members and extended our partnership working across the range of programmes and projects managed by the LLEP.

We continue to engage with the target audiences outlined in the LLEP's Communications Plan and have successfully grown our reach over the last year.

Key headline achievements:

- Organised 59 events and workshops across all LLEP programmes and projects
- 2060 people attended our events
- Exhibited or presented at 8 partner events
- Featured 590 times in the media
- Increased our Twitter followers by 10% to over 5,000.
- Doubled our Instagram following to over 800.
- Increased our LinkedIn visitor page views to 514 since creating the page in May 2018
- Over 42,150 new website users, up 34% from the previous year

Our profile has been elevated substantially on a local, regional and national level particularly through media, social media and through key events such as the Leicester Business Festival and Innovation Week.

This year we have focused on creating a range of videos to utilise this increasingly popular form of media to engage our audiences with interactive messaging.

Both the LLEP and the Business Gateway Growth Hub have a YouTube channel that host our range of videos, from case studies and event overviews to engagement and performance information.

We produced a video to support our Local Industrial Strategy Prospectus in order to showcase the strengths and sectors of Leicester and Leicestershire. We updated our performance and LLEP area videos. All videos are accessible via our websites.

Case study videos included several to promote our Enterprise Zones. We invited businesses to explain the benefits of choosing to locate at MIRA Technology Park, Charnwood Campus and Loughborough University Science and Enterprise Park.



Case study videos for some of our Local Growth Fund projects have showcased the benefits created by these investments and included interviews with students who gave their views on the new facilities at Leicester College and impact of the Local Growth Fund investment at Melton Cattle Market.



SKILLS FOR THE FUTURE

In November 2018 we published Skills for the Future 2018-2030. The report contains data analysis projecting employment numbers to 2030 by sector and occupation. In researching the document, we gathered intelligence from employers, recruitment agencies and skills providers on a range of important labour market issues.

The report will help to inform our Local Industrial Strategy, Skills Strategy, and help skills providers better understand the needs of business. This research was funded by the European Social Fund.

Using this valuable data, we produced a suite of labour market documents, including World of Work guides for young people (19,000 copies distributed) and adults (7,000 copies distributed). We have also distributed an easy-use presentation pack to accompany the report, and a labour market lesson plan for schools and colleges.



See the logistics sector video here

Since 2015 we have hosted an annual professional development event for school and college employees which this year focused on the findings from Skills for the Future.

At the event we premiered a short film we created to highlight the logistics sector to teachers and careers leads, and to raise awareness of opportunities in the sector.

We commissioned the development of a localised apprenticeship guide called #TheRealDeal. It showcased how local employers are using apprenticeships and aimed to dispel some of the myths surrounding them.

A monthly schools' newsletter is circulated to around 300 contacts across the region. This is supported by fortnightly labour market updates and weekly dissemination of apprenticeship vacancies. Fortnightly updates are also sent to 60 provider/stakeholder contacts.

The Skills Team works closely with the Enterprise Adviser Network and took a lead role in the development of the successful Careers Hub bid.

Download the Skills for the Future report at www.bit.ly/LLEPskillsforthefuture

LLEP BOARD MEMBERS

LEPs have increased private sector involvement in economic decision-making across their geographical areas. In light of this, we welcomed new board members this year and appointed a new chair of the LLEP.

We said goodbye to four former board members including our former chair who had been at the helm since 2014. Two of our new board members are female, consistent with our commitment to gender equality by 2023.



Kevin Harris
Partner, RSM UK
Chair of the LLEP



Andy Reed
Director, SajeImpact
Deputy Chair of the LLEP



Karen Smart
Managing Director,
East Midlands
Airport



Emma Anderson
Director, Freeths



Dr Nik Kotecha, OBE
CEO, Morningside
Pharmaceutical Ltd



Chas Bishop
Chief Executive,
The National
Space Centre



Neil McGhee
Director,
Sempervox



Jaspal Singh Minhas
SME Representative,
MD, Electrical Design
& MFG Co Ltd



Anil K Majithia
Chair, Voluntary
Action LeicesterShire



Prof. Robert J. Allison
Vice-Chancellor,
Loughborough
University



Verity Hancock
Principal and CEO,
Leicester College



Nick Rushton CC
Leader,
Leicestershire
County Council



Sir Peter Soulsby
City Mayor,
Leicester City
Council



Cllr Terry Richardson
Leader, Blaby
District Council



Mike Hall
Leader, Hinckley and
Bosworth Borough
Council

GOVERNANCE

Over the course of 2018-19, we have continued to improve our policies and procedures in line with best practice and government guidance. We welcomed the 'strengthened LEPs' paper, which clearly set out our role and responsibilities in driving local economic growth. This has also seen us move from an unincorporated association to having a legal personality: a company limited by guarantee, starting in the 2019-20 financial year.

We have established governance structures with transparent decision-making practices underpinned by robust financial management and accountability arrangements. We work closely with the accountable body to ensure that there is a vigorous approach to governance, and that decisions are made in a transparent way. This must consider legality, social value, equality, fairness and proportionality.

Our assurance framework sets out our practices and local approach in more detail for governance and programme delivery. The framework is reviewed regularly and strengthened in light of strategic and operational requirements and new national guidance. This has included: refreshing our code of conduct for board members; our equality and diversity policy and; introducing a whistleblowing policy and a policy for the confidential reporting of complaints.

FINANCE

Through the accountable body we receive a core funding grant from government which is matched by a local contribution. A supplementary grant was awarded this year to cover additional costs through the LEP implementation review, and a contribution towards the Local Industrial Strategy.

Other income is generated through programme and project delivery and interest received on funds held by the accountable body.

Income		£000's	Expenditure	
Grants	830		Staffing	893
Local Authority Contributions	250		Running costs	163
National and Local Project Income	766		Accountable Body costs	134
Fees, interest and other income	496		Programme Delivery	624
Total Income	2,342		Total Expenditure	1,813
			Net Surplus / (Deficit)	530

PRIORITIES FOR 2019-20

The year ahead presents great opportunities to shape the economic future of Leicester and Leicestershire in both the shorter and longer term.

We will continue to manage our major funding programmes and prepare our Local Industrial Strategy, support the delivery of the two Enterprise Zones, commit our remaining European Structural and Investment Funds, and deliver our Business Gateway Growth Hub, Careers Hub and Enterprise Adviser Network projects.

We will actively support the implementation of the Midlands Engine Vision for Growth and the UK's Industrial Strategy. Continuing to develop strong relationships with local and national stakeholders and partners is essential for our success.

Our key priorities for 2019-2020 will be:

- Delivery of the Local Growth Fund, Growing Places Fund, Business Rates Pool and European Structural and Investment Funds
- Develop and launch our Local Industrial Strategy
- Delivery of the MIRA Technology Park and Loughborough and Leicester Science and Innovation Enterprise Zones
- Deliver our Business Gateway Growth Hub
- Deliver our Careers Hub and Enterprise Adviser Network
- Establish a Skills Advisory Panel to develop the skills strategy for the region

Local Growth Fund (LGF) Programme

One of our key priorities for 2019-20 is to deliver our fifth year's LGF Programme allocation of £12.93 million. From the 20 funded LGF projects, a total of 11 projects have completed their funding with 7 of these moved in to the evaluation stage. Another 3 LGF projects are due to complete in 2019-20: Connecting Leicester, Coalville Workspace and the Market Harborough Line Speed Improvement, so it will be a busy year! All projects remain subject to regular monitoring.

Enterprise Zones

We will continue to support the development and delivery of MIRA Technology Park Enterprise Zone

and the Loughborough and Leicester Science and Innovation Enterprise Zone. Working closely with our public sector partners we will facilitate investment into the sites to drive forward their development. In addition we will undertake activities to support the marketing and inward investment programmes of the sites.

Growing Places Fund (GPF) Programme

Through successfully managing previous loan repayments we are able to offer loans of up to £10.8 million in 2019. Our pipeline is always open for new project submissions and will be reviewed quarterly to identify suitable opportunities for the funding.

Business Rates Pool Programme

This funding, administered by the LLEP, is allocated to support the delivery of local authority priority projects and functions to deliver against the priorities of the prevailing economic strategy; driving productivity and growth of the Leicester and Leicestershire economy. The 2019-20 investment sum is expected to be upwards of £10 million.

European Structural and Investment Funds (ESIF)

During 2019-20 we will work to commit our remaining ESIF allocation. ESIF funds still to be committed in the summer of 2019 total £19.6 million, comprising £4.7 million European Social Fund (ESF) and £13 million European Regional Development Fund (ERDF). A further, final call under PA4 (low-carbon) is expected in the summer of 2019.

Skills Advisory Panel

Within the Industrial Strategy, the Government announced its intention to introduce new Skills Advisory Panels (SAPs) within LEP areas. Our SAP will provide a strong leadership role on skills by engaging employers and providers and giving skills

advice. They will develop a clear understanding of current and future local skills needs.

Business Gateway Growth Hub

The Growth Hub supports our ambition for the local economy in Leicester and Leicestershire to stimulate business growth and encourage innovation, to help address the productivity challenge faced by the UK.

From mid-2019 we intend to enhance the support on offer to business through 'investment readiness support' – direct grants and intensive support for businesses that can demonstrate ambitious growth potential. To further improve our offer to business we will also be launching a new Business Gateway website.

Careers Hub and Enterprise Adviser Network (EAN)

The Government's Careers Strategy sets out a range of requirements for secondary schools and colleges. It includes the need to meet the Gatsby Benchmarks for Good Careers Guidance by the end of 2020. KPIs will be set for the Enterprise Adviser Network and the Careers Hub to achieve these targets.

Local Industrial Strategy (LIS)

Our Local Industrial Strategy will be long-term, based on clear evidence and aligned to the UK's Industrial Strategy. Our LIS will identify local strengths and challenges, future opportunities and the action needed to boost productivity, earning power and competitiveness. Our LIS will also guide the use of local funding streams as well as any future spending from national schemes.

We will undertake an overarching review of the Leicester and Leicestershire economy. This will be based around the five Foundations of Productivity and four Grand Challenges included within the UK's Industrial Strategy. This review will present a series of conclusions that can be used to prepare emerging economic priorities for the local area.

Following the completion of our Economic Review, we will undertake further consultation with government and local stakeholders on our emerging priorities in order to prepare and approve our Local Industrial Strategy by the end of 2019.



We will actively support the implementation of the Midlands Engine Vision for Growth and the UK's Industrial Strategy.

Contact details

To receive news and information about the Leicester and Leicestershire Enterprise Partnership (LLEP) programmes and activities visit: www.llep.org.uk/newsletter

If you require further information on anything within this Annual Report or are interested in getting involved, please email the LLEP at the email address below.



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