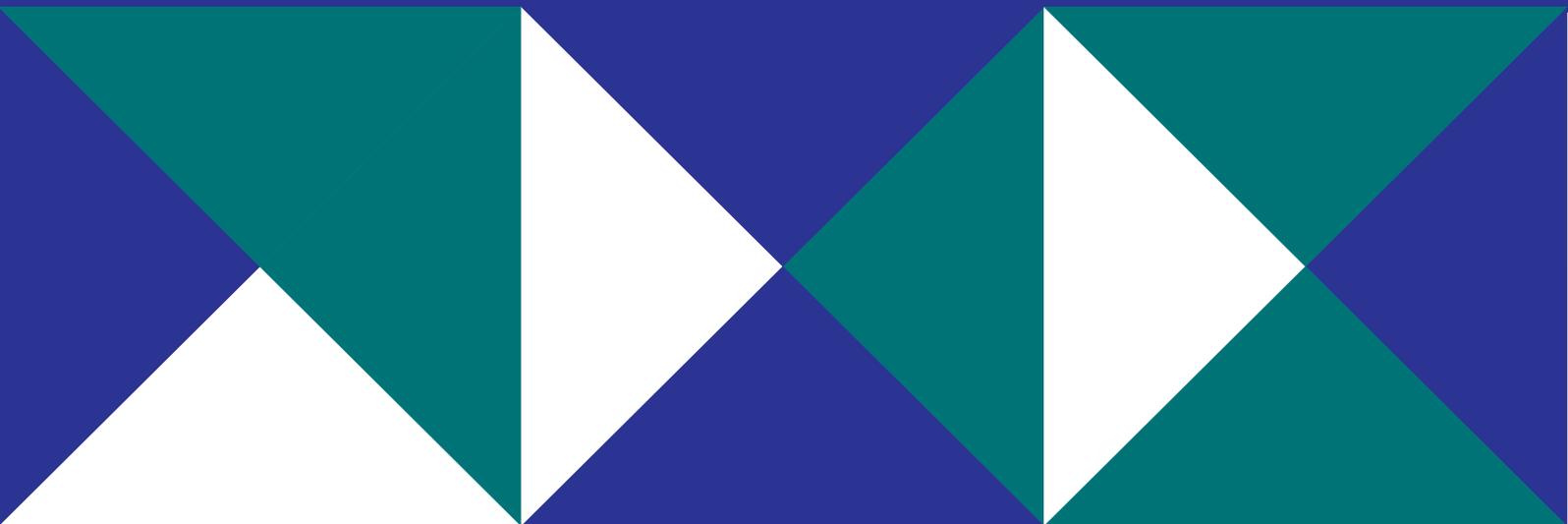


# Hertfordshire LEP Annual Delivery Plan 2020/21



**Hertfordshire**  
Local Enterprise Partnership

**PERFECTLY PLACED FOR BUSINESS**

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# Executive summary

**The last few months have been some of the most testing and challenging for public sector leaders and businesses alike. With an anticipated loss of 100,000 jobs in Hertfordshire alone and significant impact on our key sectors and town centres, there are clearly very difficult times ahead. But there are opportunities too to rebuild and build back better.**

This crisis has changed the way we go about almost every aspect of our daily lives. Some of these changes were inevitable, accelerating a seismic shift to home working and reduced commuting, the take-up of more sustainable forms of transport and changing the face of our high streets. The need for the public sector to coalesce around a shared set of common priorities for the greater good can bring about more efficient ways of working and economies of scale in the mid to long term. Our Economic Recovery Plan must reflect these societal, climatic and global changes and provide a clear route forward. The Prime Minister has set a clear objective to grow the country out of the crisis around three themes; education, infrastructure and technology. LEPs and Hertfordshire in particular, are perfectly placed to make a major contribution. Our Annual Delivery Plan reflects this and sits well within the wider context of the overall Hertfordshire Growth Board programme.

We are now working to update our Local Industrial Strategy to take account of these changes, the current impact on the economy and determine how to build in greater resilience for the future. This is where the real strategic value of LEPs will be felt most and where we can ensure that our vision for a better, more inclusive country can be integrated as we play our role in the new UK Shared Prosperity Fund.

In the immediate aftermath of the pandemic, LEPs showed their ability to be agile in their response, increasing Growth Hub capacity to respond to business enquiries; helping local authorities deliver grant schemes; flexing funding mechanisms and feeding back vital business intelligence to Government's Cabinet committee leading on the UK COVID-19 response. We have played a key role in Local Resilience Forums, providing leadership on economic recovery via our business-led boards and revising our LIS evidence bases to ensure future economic strategies are underpinned by a granular understanding of our localities and shaped in collaboration with key stakeholders. This will continue to bring together the key aspects of the economy: business; local government; further and higher education (FE and HE) and the third sector in one place.



**Mark Bretton,**  
Chair, Hertfordshire Local Enterprise Partnership  
Chair, LEP Network

# Introduction

**Government requires all LEPs to publish Annual Delivery Plans to inform objective assessment on how Local Enterprise Partnerships are performing both nationally and locally. In the light of COVID-19, this plan sets out the revised priorities for Hertfordshire LEP for 2020/21 and the outputs and deliverables we expect to achieve by the end of the year.**

Due to the current economic situation, this document will be checked regularly to reflect ongoing priorities and therefore may need to be updated later in the year. This plan sets out our revised strategic priorities with their greater focus on economic resilience and recovery; the impact COVID-19 has had on our delivery and our internal governance and resourcing.

The COVID-19 response and recovery activity can be broadly broken down into three stages:

- ▼ Short Term - intelligence gathering and potential interventions
- ▼ Medium Term - producing an Economic Resilience Recovery Plan
- ▼ Longer Term - revising our Local Industrial Strategy

Where appropriate, each stage will consider direct business support; supply chain mechanisms; workforce and skill needs and the role of place and community.

# 1. Strategy

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## 1.1 Supporting the development of a Local Growth Strategy

Significant progress was made over 2019/20 in refining the evidence base developed from the Strategic Economic Plan and identifying areas for further investigation through 'deep dives'. Much of this was primary research, via direct surveys of businesses or focused roundtable discussions, some of which were scheduled to continue into 2020/21. This evidence base is available to view on our [website](#).

A high-level review of the work of Hertfordshire Growth Board (HBG) and the LEP's Local Industrial Strategy (LIS) has been undertaken in the light of COVID-19 which sets out our commitment to joint working and an over-arching framework for delivery. The work on the LIS is now at the centre of a wider Growth Strategy for the county as demonstrated in the diagram on the next page:

### Place Shaping - Strategy

- ▼ New settlements (new New Towns)
- ▼ Transforming our towns (including old New Towns)
- ▼ Employment land strategy - linked to North-South Economic Growth Corridors
- ▼ New/expanded Enterprise Zones
- ▼ East-West Growth Corridors (and housing delivery)
- ▼ Joint planning
- ▼ New models of delivery, partners and collaborative governance
- ▼ Public sector skills and capacity to support the response/recovery

### Place Shaping - Delivery

- ▼ Joint Spatial Plans - SW & NE Herts
- ▼ Infrastructure Plans
- ▼ Development Corporation/delivery models
- ▼ Local authorities' roles
- ▼ Regional Investment Fund

### Economic Recovery & Growth - Strategy

#### Supporting our growth/recovery sectors

- ▼ Construction
- ▼ Visitor economy
- ▼ Cell and Gene Therapy
- ▼ Film and TV
- ▼ Advanced Manufacturing
- ▼ ICT & Digital
- ▼ Envirotech/sustainable construction

#### Unlocking our talent

- ▼ Apprenticeships and T Levels
- ▼ All age / sector transition skills

#### Supporting Business Growth

- ▼ SME Recovery Package
- ▼ Innovation start up & finance
- ▼ International Trade

### Economic Recovery & Growth - Delivery

- ▼ LEP lead with University of Hertfordshire, FE colleges, local authorities and major employers
- ▼ Potential expanded role for Growth Hub

### Connectivity - Strategy

- ▼ Smart digital connectivity and reconfiguration - within and between Hertfordshire's towns and major employment area
- ▼ Channel shift - digital jobs/online service delivery strategy
- ▼ Sustainable transport solutions - particularly last mile/first mile
- ▼ Strategic lobbying in relation to North-South Economic Growth Corridors (e.g. M1-J8)
- ▼ Long term positioning in relation to East-West Growth Corridors (and long term transport responses, e.g. MRT)

### Connectivity - Delivery

- ▼ Digital Delivery Body?
- ▼ Local Transport Board (re-energised under the Growth Board)
- ▼ Local authorities

▼ Blue=LEP; ▼ Green= Hertfordshire Growth Board; ▼ Red=Both

This recognises our respective strengths with the LEP leading on economic recovery plans and HGB on place-making strategies and the digital and physical infrastructure interventions required to stimulate recovery. Some of HGB's programmes still need to be reconfigured and re-evaluated to take into account the seismic shifts that have already taken place.

However we have had clear feedback from Government that place based work is even more important than ever in helping mitigate the impact of the current economic shocks and drive the recovery of local economies.

We are revisiting the analysis underpinning our Local Industrial Strategy to bring together the latest economic evidence base. This is a requirement on all LEPs and will require an understanding of new factors, such as:

- ▼ Economic hardship which had not existed before
- ▼ Weakened businesses potentially heading to failure
- ▼ Ability of digital infrastructure to respond to new working practices
- ▼ Broken supply chains, where suppliers may have gone out of business
- ▼ Reduced demand/confidence nationally/ globally
- ▼ Vacant, retail, office commercial space
- ▼ Changes to consumer behaviour
- ▼ Changes to High Street and retail economy
- ▼ Opportunities previously untapped accelerated during the crisis by enforced changes to ways of working
- ▼ Other longer-term factors, such as increased use of digitisation and reduced use of public transport

Emerging economic recovery strategies will be underpinned by a robust communication and engagement plan and consultation process.

## 1.2. Southern LEPs

Whilst developing our own LIS, Herts LEP has also led on the production of an evidence-based 'atlas' across the six southern LEPs (South East, Coast to Capital, Enterprise M3, Thames Valley Berkshire, Solent and Hertfordshire) to highlight key issues and areas for greater collaboration. Another output from this is a draft Greater South East Economic Narrative which will be included in all six southern LISs.

This work is likely to broaden over 2020/21 as we develop a programme of joint activity and focus on a set of priorities for collaboration. A branding exercise for the group is underway to establish visibility with HMG and wider stakeholders. In addition a high level strategy indicating key regional priorities is being developed for publication in the summer.

## 1.3. Hertfordshire Growth Board

The LEP continues to play a key role in the development of the Hertfordshire Growth Board. In addition to the strategic work above, LEP executive and Board members are leading on specific activities on behalf of the Growth Board as the Growth Prospectus is developed for submission over the summer.

## 1.4. Key actions

- ▶ To re-evaluate the evidence base for the LIS to ensure that it reflects the current economic conditions. This will include business board member-led engagement with our key sectors; district by district economic analysis and resilience planning and working with Hertfordshire Growth Board and local authorities on town centre strategies.
- ▶ To ensure the reconfigured LIS fits into the wider growth proposition for Hertfordshire, and that the LEP will continue to play a leadership role on economic recovery planning.
- ▶ Work within supra-region of Southern LEPs to demonstrate the value and ROI the region's economy delivers to UK PLC and the region's importance to the UK's recovery.
- ▶ Develop sub-strategies on digital infrastructure, inward investment and enterprise and innovation that will feed into the reconfigured LIS and support ongoing LEP priorities and programmes.
- ▶ Help shape the new UK Shared Prosperity Fund, set to replace European and Growth Deal funding as a result of the UK leaving the European Union, to ensure sufficient funds are available to address issues with productivity and inclusive growth in Hertfordshire.
- ▶ That our strategic policy making reflects the views of a wide range of stakeholders across business, local government, HE/FE and third sector and our leadership role on the economy within the wider growth proposition for Hertfordshire.
- ▶ To hold regular economy briefings with Hertfordshire MPs and hold a joint event with key partners to update stakeholders on economic recovery planning and the LIS ahead of consultation later this summer and AGM later in the year.

- ▶ To revise our LEP branding to ensure it communicates our status as head of a growing brand family and reflects our new corporate values.

## 1.5. Other COVID-19 related actions

The following actions were put in place as part of the immediate COVID-19 response:

- ▶ An Economic Resilience Cell was set up to feed into the work of Hertfordshire's Strategic Co-ordinating Group which is leading on Hertfordshire's response to COVID-19. The longer term strategic response and re-positioning of the Herts Economy continues to be a core focus of the LEP.
- ▶ As part of this, a LEP Intelligence and Delivery Group has been set up to provide weekly real-time information relating to the impacts of COVID-19 on the local economy.
- ▶ This intelligence is collated into a report to BEIS and a local economic dashboard shared with CEX groups in the county to inform future policy-making and response. The product of both form part of the weekly COVID-19 stakeholder bulletin.
- ▶ Working with the LEP Network and other business leader groups (CBI/British Chambers of Commerce etc.) to lobby Westminster on the national interventions required.
- ▶ The LEP Network secured additional Growth Hub funding and Hertfordshire was awarded £249,500 (on top of the basic £287,000).
- ▶ The LEP Board approved three immediate intervention schemes to provide urgent short term support to local businesses. The three schemes made available £3.3m for:
  - ▶ Crowdfund Herts SME Innovation Fund
  - ▶ Business Expansion Grant Scheme
  - ▶ Volunteer Business Support Scheme

## 2. Governance

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## 2.1. Overview of LEP Governance

As we are moving into our second year as an Incorporated Company Limited by Guarantee, we have additional reporting responsibilities to ensure we are compliant with UK Business Law alongside the requirements of central Government on how LEPs are run. We are also undertaking to ensure that our governance remains fit for purpose.

We are currently undertaking a review of our sub-boards, starting with Programme Management Committee (PMC) to take into account the recent changes to the LEP's governance systems and:

- ▼ The opportunities incorporation presents in terms of income generation and asset ownership;
- ▼ What monies are available beyond 2021, when the Growth Deal ends and how we tackle underspend;
- ▼ The changing political and economic landscape and a more collaborative approach among the districts and Hertfordshire County Council to managing growth in the county.

Our governance must respond positively to these changes to secure our share in any future competitive funding allocations from Government and ensure we remain responsive to the needs of our communities.

The scope of this review is focused on four key areas:

1. **Future role:** what are we doing now and what can we do differently, and better in the future?
2. **Principles:** what are our guiding principles and are they the right ones?
3. **Effectiveness:** how can we improve our overall effectiveness in the future?

## 4. Proposed changes: in answer to the above, what do we need to change?

We are also participating in the LEP Network's Peer Review, run by the Centre for Public Scrutiny. The purpose is to ensure that all LEPs are operating to a consistently high standard around the three areas, on which government assesses LEP performance – governance, strategy and delivery; and that LEPs collectively have successfully addressed the recommendations from both the National Audit Office and Public Accounts Committee findings. We have been paired with Worcestershire LEP.

We have also commissioned an evaluation on the impact of the LEP, undertaken by external consultants. This will look at our Local Growth Fund spend and review of what monies we originally received and for what projects and outcomes; what we have actually delivered; what has changed, and the impact on the economy. This will complement a review by the Cities and Local Growth Unit of the forecast 2020/21 LGF allocation.

The evaluation will undertake data and qualitative analysis and then report back on overall GVA and outputs for the LEP against each of our main areas – Infrastructure, Skills and Enterprise to see which area has provided the most successful return on investment. Using this evidence base, the review will look at the strategic success of the LEP including soft power and influence to report overall impact and effectiveness of the LEP. This impact will be evidenced in our strengthened corporate brand and sub-brand presence.

We are committed to ensuring that our Board recruitment policies are as transparent as possible and that we select from a diverse pool of highly talented individuals who have excelled in their professional areas. This will ensure that our board is representative of the businesses and communities they serve and enable us to meet the future targets for female board representation

as set out in the National Assurance Framework and continue to meet other targets around board configuration as part of the Annual Performance Review process. The three main targets are:

- ▶ maximum board size limit of 20
- ▶ female board representation current target 33% - increasing to 50% by 2023
- ▶ two thirds private sector representation

We will be making some new appointments to the LEP Board during the year and increasing our board from 15 to 16. Our current Deputy Chair is also due to step down in July.

A copy of the current Assurance Framework can be found [on our website](#). We will continue to build on best practice with an open AGM and Annual Conference; publication and widespread circulation of our Annual Report aligned to our Annual Accounts and a Digi-Impact Report which demonstrates Hertfordshire LEP's impact to key stakeholders and wider audiences.

We will ensure that the LEP board is sufficiently informed and engaged with respect to the risks that the LEP faces in light of COVID-19. Periodic communications plan with the board, or the board may designate one or more members responsible for coordinating with management in connection with COVID-19 related matters. Specific actions may require involvement and/or input of particular board committees, such as the audit committee (PMC).

We will also ensure operational processes remain effective given social distancing (e.g. changing the format of meetings from an in-person meeting to a virtual-only meetings until further notice, (e.g. replacing hard copies, wet signatures) and ensure that our Assurance Framework and Articles of Association allow this.

## 2.2. Key actions for 2020/21

- ▶ Complete and embed recommendations from the governance review in terms of board and sub-board structures.
- ▶ Implement any actions from external scrutiny of our programme.
- ▶ Undertake any actions from CfPS-led LEP Peer Review we conducted with Worcestershire LEP in March 2020.
- ▶ Put in place a continuous learning and development programme to strengthen our Boards and sub-boards and ensure there is appropriate support in place for new members.
- ▶ Ensure we are compliant with current and future National Assurance Framework requirements and with the Government's Annual Performance Review targets, with particular focus on the requisite female Board member representation percentage. Other examples include continuing to ensure that our Accountable bodies Section 151 Officer attends at least one meeting per year; and participating in relevant local authority scrutiny panel enquiries to ensure effective and appropriate democratic scrutiny of our investment decisions.
- ▶ We will also make any necessary changes to the Assurance Framework to ensure our Governance remains flexible in light of COVID-19 – e.g. flexibility of meetings. The Government's Annual Assurance Process will take into account the impact of COVID-19 on LGF programme delivery – including spend rates and project delay. Ongoing work will be done with Area Leads to determine the impact over the coming months which will inform the process, including timings of data returns, Mid-Year Reviews, End of Year reports and Delivery Plans. Any changes will be communicated to the LEP Network.

- ▼ In order to ensure transparency, we will produce an end of year report, as per other years, and this annual delivery plan will be available to view [on our website](#). We will also have a mid-year performance review in September 2020 and annual performance review in January 2021 with Central Government.
- ▼ We will remain compliant with all UK Business Law requirements, including reporting our Annual Accounts to Companies House by 28 Dec 2020, and any changes to Directors' information in a timely manner. We will hold a combined Annual Conference/AGM in Q3 2020 which will be open to the public and businesses and properly promoted.
- ▼ A Remuneration Committee was set up March 2019 to provide a formal and transparent procedure for developing policy on pay and expenses. This will continue (subject to the governance review) and we are now setting up a LEP specific Hay panel to evaluate any new or revised job descriptions going forward.
- ▼ As we have recently revised our project appraisal process, we will look to hold workshops for bidders and board members to ensure they are fully informed on the new approach, where appropriate.
- ▼ Documenting future repayments from loans or grants and the timing of those to enable us to develop a strategy for the use of such budgets.
- ▼ Update the Risk Register to take account of COVID-19 risks.

# 3. Delivery

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Our key priorities for delivery are set out under these strategic themes.

### 3.1. Skills

The LEP will ensure close alignment between a revised Hertfordshire Skills Strategy and the Local Industrial Strategy, with a focus on Technical Level skills development as well as higher and degree level skills, with a particular emphasis on priority sectors, the continued promotion of apprenticeships at all levels, the skills required for the post COVID-19 recovery phase and the importance of developing our future workforce. In partnership with key stakeholders, we will encourage our Skills Advisory Panel to utilise the 2019/20 Hertfordshire Skills and Labour Market Analysis and capital investments in local FE Estate and Equipment for greater influence and collaboration with local skills partners and providers to ensure alignment between the skill needs of local business and residents are being met.

#### 3.1.1 Key actions

- ▼ A focused programme will be developed to determine what local actions can be put in place to support the “Class of 2020” (school leavers, graduating FE and HE students) to address the impact on them of COVID-19.
- ▼ In partnership with HCC and DWP and in consultation with local stakeholders, review and revise the Hertfordshire Skills Strategy by Q4.
- ▼ In line with the above, to hold a Hertfordshire Skills Summit by Q4.
- ▼ As part of the broader LEP review of governance, ensure the Skills & Employment Programme Board (also known as the Skills Advisory Panel) remains relevant to meeting the current and future skill needs of business and residents.
- ▼ Utilise the 2019/20 Hertfordshire Skills and Labour Market analysis, including any COVID-19 related updates to provide skills focused input into the development of the Hertfordshire Local Industrial Strategy.

- ▼ Ensure our Enterprise Adviser Network and Careers Hub achieve 2019/20 targets agreed with Careers & Enterprise Company by the end of Q2.
- ▼ Agree new Careers & Enterprise Company targets for September 2020 to August 2021.
- ▼ Finalise a Business Plan for the Hertfordshire Opportunities Portal (HOP), undertake further enhancements to the Portal and drive greater numbers of unique users.
- ▼ Provide further funding (as match for ESF) for the further development and roll out of the Hertfordshire Opportunities Portal i.e. additional skills brokers and schools/colleges engagement.
- ▼ Support the development of providers for the roll out of T-level qualifications in 2021.
- ▼ Ensure LGF skills capital and GPF funded projects achieve their 2020/21 spend and/or output profiles by the end of 2020/21.

#### 3.1.2 COVID-19 related actions

- ▼ We will utilise our Hertfordshire Opportunities Portal to provide skills related COVID-19 updates to both our business base and local residents. We will work in partnership with our local provider network, FE colleges, HE and, in particular, our local ESF provision to ensure that we have a coordinated response to business and learner/resident needs as we enter the recovery phase.
- ▼ We will update our local skills analysis (SAP) to ensure it reflects the changes in the local economy and therefore skills needs as a result of the COVID-19 situation.
- ▼ In light of the COVID-19 situation, to work closely with skills related LGF/GPF funded projects to agree realistic project delivery timelines and output profiles for 2020/21.

## 3.2 Business

Since 2010, the Hertfordshire economy has grown year on year, with the number of active businesses trading in Hertfordshire in 2018, increasing by 0.4% on the previous year. However, there are signs that the underlying entrepreneurship rates in Hertfordshire are slowing. Hertfordshire is not unique in that respect and other LEP areas are seeing a narrowing gap between business start-up and death rates. Locally, the enterprise birth rate fell in 2018 to 13.1%; it's the lowest level in the last four years and compares to a high of 16.8% in 2016. The enterprise death rate, on the other hand, currently stands at 11.1% but has levelled off following a spike in the death rate in 2017. This means that the growth in business stocks is slowing. By 2018, the annual net gain (stock + births - deaths) had halved to just under 1,500 net new businesses.

The impact of COVID-19 on the UK economy is likely to exacerbate an already weakening position and remove a significant amount of industrial and commercial capacity as lockdown restrictions continue to impact on overall levels of activity. If we are to recover the amount of economic output that is going to be lost as a result of COVID-19 with pace, it is likely that we will have to set tough priorities. We will do this by:

1. Basing our decisions on our economic evidence base which will be updated for COVID-19 impact including deep sector analysis;
2. Actively promoting and supporting start-up/entrepreneurial activity;
3. Scaling survivors;
4. Investing in Innovation structures to accelerate high growth potential gazelles and nurturing low carbon and zero carbon business development;
5. Encouraging FDI by providing the space and promoting the opportunities for inward investment.

With continuing uncertainty regarding the terms of the UK's trading relationships with the EU as its biggest trading partner, we will be working hard to ensure that Hertfordshire secures the full share of funds allocated to it under the ERDF programme for 2014 to 2021 (see section 9.4). We will continue to invest in a co-ordinated Hertfordshire Business Support package, and invest in capital projects which, will help deliver the Local Industrial Strategy with a focus on maintaining global excellence in science, engineering and technology, and strengthening foundations for growth and deliver a package of access to finance programmes to support the scaling of ambitious high-growth SMEs.

### 3.2.1 Key actions

- ▶ As part of the broader LEP review of governance, ensure the Enterprise and Innovation Programme Board remains relevant to meeting the current and future needs of business and a growing economy.
- ▶ Finalise an Enterprise and Innovation Strategy in line with emerging Local Industrial Strategy by the end of Q3 2020. The Strategy will pick up on the development of a business resilience programme to address gaps in areas of current provision around the themes of Technology Adoption; Management and Leadership best practice (i.e. through peer to peer knowledge exchange networks); and Scale-up.
- ▶ Launch a revised post COVID-19 recovery focused Business Expansion Grant scheme, to include establishment of an E&I grant panel for applications by Q1.
- ▶ Launch Hertfordshire Loan Management Ltd Special Purpose Vehicle by Q2.

- ▼ Align and coordinate Inward Investment functions between the Enterprise & Innovation, Enterprise Zone and Communications teams to develop a sector engagement programme by Q3 2020. This will result in value sector propositions to support ongoing Inward Investment promotion.
  - ▼ Develop road maps for LIS priority sectors establishing business led forums as part of the LEP's business engagement programme starting in Q1 2020/21.
  - ▼ Deliver an ambitious business resilience and recovery programme via Hertfordshire Growth Hub in consultation with the wider South East cluster, carrying on from Q1 2020.
  - ▼ Hertfordshire Growth Hub to continue to implement the new branding guidelines across all its marketing assets in preparation for full consumer launch of HGH's new website in Q2.
  - ▼ By Q2, to utilise the outcomes of the Herts Growth Hub evaluation (March 2020) to agree the delivery model for the Growth Hub post October 2020.
  - ▼ Continue to work with and support the Growth Hub in delivery of both BEIS and locally agreed targets by Q2.
  - ▼ To provide technical assistance support to progress ERDF project applications, against Hertfordshire's final open call, to contracting and mobilisation of delivery.
  - ▼ Finalise evaluation of and agree the next phase in the contracting arrangements for the LEP's investment in the delivery of Hertfordshire's Destination Management service, Visit Herts, by Q1.
  - ▼ To leverage opportunities around 'film and screen tourism', to support Visit Herts to develop a bid to establish a 'Tourism Zone' in Hertfordshire.
  - ▼ Ensure LGF and GPF capital funded projects achieve their 2020/21 spend and/or output profiles by the end of 2020/21.
- ### 3.2.2 COVID-19 related actions
- ▼ To provide the Herts business base with a user-friendly format to access information on the current grants and funding available. To enable this we will position Hertfordshire Growth Hub as the central information point for our SMEs.
  - ▼ In addition we will position Visit Herts, our Destination Management Organisation as the central information point for businesses in the tourism, leisure and hospitality sectors.
  - ▼ In response to requests from Government, we will provide a coordinated weekly update on the impacts of the COVID-19 pandemic on the local economy. To enable this, we will set up and chair a Hertfordshire Intelligence and Delivery group with membership of all appropriate local stakeholders.
  - ▼ In order to support as many of our local businesses (and their employees) as possible and based on the results of a business survey, a LEP Business Support Package will be developed and launched. This package will operate alongside the existing funding schemes. In the short term the Package will include:
    - ▼ A small grant based scheme to provide immediate support to businesses within the tourism, leisure, retail and hospitality sectors. This will be delivered in partnership with Visit Herts;
    - ▼ A SME grant scheme with grants of up to £100k for investment in innovative and transformational projects which will support our SME applicants to build resilience as they enter the recovery phase. This will be delivered in partnership with Herts Growth Hub, Finance South East and ERDF;

- ▼ A business volunteer panel which will match local experienced business people with local SMEs adversely affected by the COVID-19 situation. This will be a Herts Growth Hub branded product that will be delivered by University of Hertfordshire;
- ▼ A peer to peer network to provide peer learning and support to SMEs recover from the impacts of COVID-19.
- ▼ Further work will be undertaken to identify and develop additional services for the Business Support Package.
- ▼ In light of the COVID-19 situation, to work closely with E&I related LGF/GPF funded projects to agree realistic project delivery timelines and output profiles for 2020/21.

### 3.3 Infrastructure and Regeneration

Before COVID-19, Hertfordshire was facing an unprecedented level of population growth (some 175,000 people) over the next 10-15 years. This growth was anticipated to require at least 100,000 new homes and a similar number of new jobs which, in turn, would place enormous pressure on infrastructure of all types – notably transport, education, community facilities, energy, water and communications utilities. At this stage, it is very hard to assess the COVID-19 impact on growth in the county. However, we do anticipate that growth will be delayed by some 12-18 months, not removed. We expect more people to work from home, which may result in lower levels of commuting however we believe the demand for office space will remain buoyant but the requirements of offices will change from desk space to collaboration and creativity spaces.

Much of Hertfordshire’s transport infrastructure is already outdated and worn-out, and the county cannot simply build its way of trouble to meet current and future demands. Insufficient space, a much more heightened awareness of climate change, and a changing geo-political and environmental landscape means that the

county will need to find far more environmentally sustainable ways to meet these pressures.

At the same time, societal and behavioural changes are having a major impact on the economic viability, and on the vibrancy, of our town centres. There was already an enduring drift away from traditional shopping to on-line purchasing. COVID-19 has placed our town centres under very rapid and sustained pressure. Some town centres have risen to the challenge and have responded well. The pandemic has brought to a head a fundamental, deep-seated change in the way we use and invest in our town centres, coupled with a much more flexible and responsive approach by public agencies to embracing change through, for instance, reform of the planning system.

Last year, the LEP commissioned a report from Lambert Smith Hampton (LSH) to investigate the loss of employment space across the county over the last 10 years. LSH concluded that Hertfordshire has lost over the past decade over 771,000 sq. m. of commercial floorspace, equivalent to the total office space in St Albans, Watford and Welwyn Garden City combined. On the back of these concerning findings, we commissioned a report on Key Employment Sites in Hertfordshire and what the LEP, and other partners, can do to help address this loss. The report was published just as COVID-19 arrived so some of the findings became redundant. However most of the findings, with some updating, are still very relevant and remain a key component of our activities in 2020/21 and beyond.

#### 3.3.1 Key actions

##### Local Transport Infrastructure

- ▼ Continue to engage with Hertfordshire County Council (HCC) Highways team and others on development of the A414 Corridor strategy, with a particular focus on the proposed Mass Rapid Transit programme. Work with HCC on the emerging A505 strategy to ensure that it is aligned with the LIS and meets the LEP’s long term employment and housing objectives.

- ▼ Work with HCC Highways to ensure delivery of the current major transport schemes, notably the A120 Bypass, A602 Improvements final phase, Essex Road/New River Bridge, A10 Buntingford Roundabout, and EZ Quietways.
- ▼ Work with HCC Highways, Highways England and The Crown Estate to ensure delivery of the M1 Junction 8 design phase and to help secure capital funding for implementation.
- ▼ Work with HCC Highways to develop and maintain a next generation pipeline of infrastructure projects, including the A602/Gunnels Wood Road Roundabout, possibly as part of the A1(M) Smart motorway delivery. HCC to provide regular presentations and updates to the LEP Board.

### **Town Centre Regeneration**

- ▼ Work with partners and stakeholders to develop and deliver regeneration programmes for their town centres, including post COVID-19 recovery, and encouraging greater resilience and diversification away from reliance on retail to a more rounded and experiential offer.
- ▼ Develop a town centre regeneration strategy and delivery plan, including a possible Town Centre Working Group, in conjunction with Hertfordshire Growth Board.
- ▼ Sit on the Stevenage Development/Town Deal Board and provide support to Stevenage Borough Council to help develop and implement its ambitions for the town.
- ▼ Consider creating a flexible capital support funding programme for town centres/high streets to help them provide a more diversified offer.

### **Employment Space**

- ▼ Implement the findings of the Markides Key Employment Sites report by developing

targeted employment space investment interventions, in conjunction with Herts Growth Board, Hertfordshire Infrastructure & Planning Partnership and local private and public partners.

- ▼ Lobby Government to remove/restrict PDR for employment space through the Town & Country Planning Association and other agencies.
- ▼ Continue to support Local Planning Authorities to resist Permitted Development Rights (PDR) for employment space.
- ▼ Develop the Gunnels Wood Road employment area place-making and economic strategy, and use as a model for other areas, in conjunction with Stevenage Development Board.

### **Housing**

- ▼ Continue to promote and work with partners to deliver new garden settlements in Hemel Garden Community and Harlow and Gilston Garden Town.
- ▼ In conjunction with the EZ, continue to promote Hertfordshire as a location for offsite manufacturing and work with local partners to develop a pilot to explore its potential on a larger scale.

### **Planning & Place-making**

- ▼ Continue to work with Hertfordshire Growth Board to review existing place-making strategies and ensure close alignment with an updated Local Industrial Strategy.
- ▼ Work with Herts Growth Board to develop robust project development, appraisal and approval arrangements.
- ▼ Help shape and comment on Local Plan proposals to ensure they are COVID-19 future-proofed and meet the objectives of the updated Local Industrial Strategy.

### 3.3.2 COVID-19 related actions

- ▼ In light of the COVID-19 situation, to work closely with Infrastructure related LGF/GPF funded projects to agree realistic project delivery timelines and output profiles for 2020/21.
- ▼ Across all actions work closely with partners to secure economic recovery and future resilience to enable Hertfordshire's businesses to survive and thrive.

## 3.4 Enterprise Zone - Hertfordshire Innovation Quarter (Herts IQ)

The Hertfordshire Enterprise Zone (EZ) is set to become the leading place in the UK for businesses operating in modern construction, agri-tech and related digital and environmental technologies, who are looking for contemporary new workspaces close to London.

The Herts IQ Enterprise Zone formally launched in March 2019, with its aim of developing of 3 million sq. ft. of high quality contemporary office, warehouse and industrial space over the next 10 years. It will attract new and growing companies to locate in the area, enabling delivery of 8,000 new jobs in Herts IQ sites and a further 2,000 across the wider Hemel Garden Communities development, many of which will be highly skilled.

Development plans for most sites are now underway, with the first Maylands site at Prologis Park Hemel Hempstead now fully let, where around 37,000sqm new commercial space has been built and a further 14,000sqm is under construction. 27 new companies have located on Herts IQ sites since designation in April 2017; these are on the Prologis Park site, and on Rothamsted and BRE campuses.

Herts IQ continues to be core to Hertfordshire's biggest commercial growth opportunity in decades with an EZ and a Garden Community at each end. As a government approved Garden Town, plans for the development of Hemel

Garden Communities are now well underway with Herts IQ as the commercial heart of the development.

The key challenges that Herts IQ faces are in relation to lack of land ownership and the resulting lack of direct influence over how development comes forward. The Project Team are working with the Herts IQ Board and local planning authorities to encourage landowners to develop their sites in a way that is suitable for the target occupiers, not in a way that suits the natural market of logistics and distribution companies.

### 3.4.1 Key actions

- ▼ Securing investment from three sector anchor companies, including from the offsite manufacturing sector by Q4.
- ▼ Planning permission secured by Q4 on the Maylands Gateway site for a masterplan that supports HIQ needs.
- ▼ Masterplan agreed on The Crown Estate site by Q4 that aligns with HIQ ambitions (Dependent on outcome of St Albans Local Plan process).
- ▼ Commencement by Q4 of the Open Innovation Hub refurbishment project on BRE Campus, creating commercial space for 156 jobs connected with SME growth and innovation in smart construction.
- ▼ 75 new leads and opportunities generated through the HIQ marketing campaigns by Q4.
- ▼ Launch of Herts IQ Network by Q4.
- ▼ HIQ and wider Maylands areas digital and energy strategies agreed with landowners by Q3.
- ▼ Ensure all LGF capital funded projects i.e. J8 and Rothamsted Russell Building, achieve their 2020/21 spend and/or output profiles by the end of 2020/21.

- ▼ Full engagement with the Hemel Garden Community programme to support good outcomes across the wider development.

### 3.4.2 COVID-19 related actions

The Herts IQ Enterprise Zone Board are monitoring the impact of COVID-19 on the project. Site delivery activities are broadly continuing as planned, with much of the development planning being undertaken remotely, and limited on-site work continuing in controlled environments. Whilst general inward investment and business networking activities have slowed, discussions with the OSM sector remain active and anchoring this sector remains a priority. The next priority is to assess future demand from target sectors for the business campus, in order to provide evidence to influence development plans; in light of COVID-19 this will now need to consider the impact of any long-term shift in working-from-home patterns on future office demand.

# 4. Resources

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The funding of the LEP continues to evolve in line with changing priorities and funding streams.

Previously, the LEP had used interest from LGF and GPF programmes to help meet running costs. With increased LGF and GPF expenditure and very low interest rates, interest income from these sources has now been reduced. In the past two years, the LEP has received additional funding, i.e. £200k pa from BEIS to support

the development of a Local Industrial Strategy. BEIS have stated that this funding will not be available for 2020/21 and therefore circa £79k of operational reserves will be allocated in order to balance the proposed operational budget for 2020/21. It should be noted that for future years, without additional income or a reduction in operational expenditure, further allocations from the operational reserve will be required.

## Hertfordshire LEP: Revenue Budget Proposal 2020/21 Operational Budgets

Expenditure Type	2020/21 Budget
General office running costs	£136,950
Comms & Engagement	£57,200
Consultancy	£275,000
LEP Staff Costs (18 headcount; 16.11 FTE)	£972,802
HCC Support Services	£121,940
CEC & Skills Advisory Panel	£90,000
Enterprise Zone Operational costs (incl. 3 headcount, 2.75 FTE)	£400,000
<b>Total Expenditure</b>	<b>£2,053,892</b>

Income Type	2020/21 Budget
Core Funding (inc HCC match)	-£750,000
External income e.g. CEC, SAP & ERDF	- £297,750
Internal income e.g. Reserves, interest receivable, Growth Hub additional activities*	-£606,142
Enterprise Zone	-£400,000
<b>Total Income</b>	<b>-£2,053,892</b>

Net position - break even (using reserves)	£0
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\*Above budget assumes a £78,476 call on LEP reserves and £285,000 of interest receivable. There may be an additional call upon reserves if the interest receivable is not realised.

The operational budget is fully costed however long term planning remains a challenge whilst firm commitments on core funding are not available.

## 4.1 COVID-19 related actions

- ▼ In light of the need to self-isolate and restrictions on travel, COVID-19 also support throws up some new area of work for the LEP and means some other areas of work are less important at this time. The following actions are underway to ensure that we remain fully effective during the outbreak:
  - ▼ Establish a strategy that enables LEP employees to continue to function without endangering them.
  - ▼ Continually considering resource implications and re-task existing team members if necessary.
  - ▼ Ensure we have tools, technology, capacity, and security measures in place to support effective and safe remote working- in progress.
  - ▼ Identify key employees and ensure other staff members have received appropriate training to comprehensively cover their absence. - in progress.
- ▼ Map key dependencies to understand where disruptions might impact.
- ▼ Review the preparedness of our critical third parties (suppliers, vendors, etc.).
- ▼ Identify single points of failure in our overall operations and looking to eliminate.
- ▼ Create a communications plan that includes providing employees and other stakeholders with regular situation updates as well as actions taken - ongoing.
- ▼ Offering visible support from board, SMT and Line Managers.
- ▼ Make staff aware of HM Government support for employees - ongoing.
- ▼ Where appropriate to do so, utilise LEP funding to support the development and delivery of the Business Support Package.

# 5. Programmes

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## 5.1 Local Growth Fund

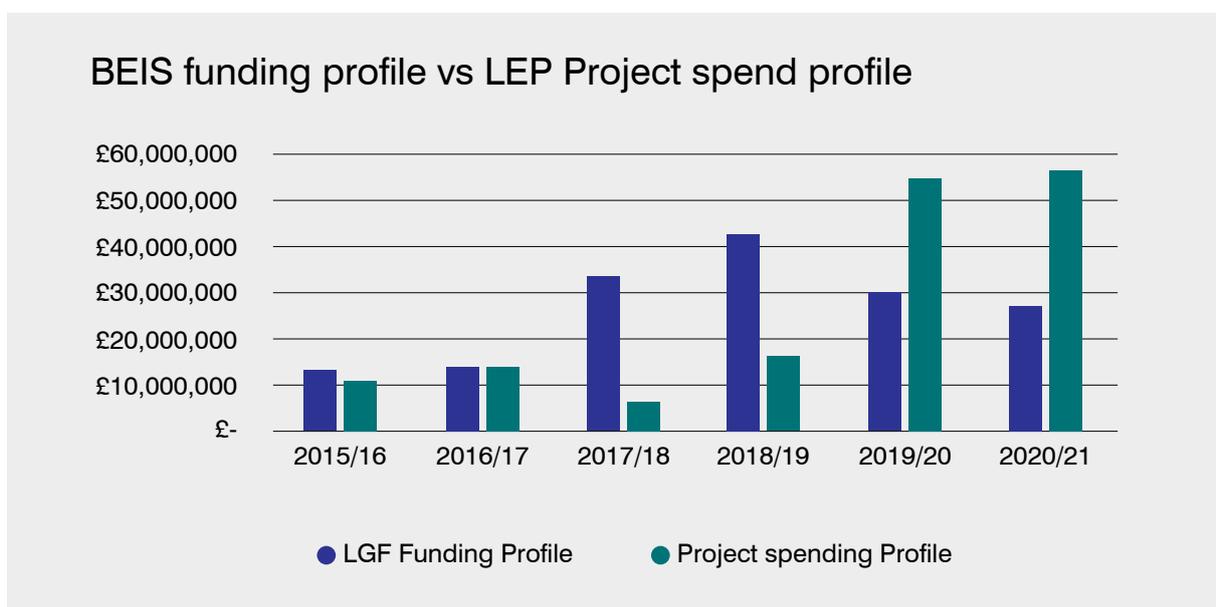
Following the decision by BEIS to withhold one-third of the 2020/21 LGF allocation (£9.09m) until the LEP can evidence the need for this remaining 1/3rd within the 2020/21 contract year, we will undertake to update our delivery profiles in order to provide the most realistic spend scenario for the LEP Board and BEIS.

The COVID-19 situation will have a negative impact on a number of our LGF projects' ability to deliver against the originally agreed profiles. In line with the 1/3rd v 2/3rd funding model, we will undertake to establish the likelihood of COVID-19 related slippage on each project and establish worse case scenarios regarding the impact of spend in 2020/21 and likely carry forward into 2021/22.

In light of the continuing delivery risks associated with a small number of LGF schemes, the LEP Board took the decision to 'over allocate' against the Hertfordshire allocation of £159.7m. To date, the Board has allocated funding of £168.4m. Should all current schemes deliver to profile; this risk is offset by repayments of previous 'loans' which were repaid at the end of 2019/20.

At the time of writing, the Ministry of Housing, Communities and Local Government has asked all LEPs to put forward 'exceptional, additional shovel-ready capital projects which can be delivered within 18 months' to drive up economic growth and jobs and support green recovery. The deadline for proposals is 18th June. This plan will be updated to reflect the outcome of this call for projects.

Table 1



## 2020/21 Delivery projects

Table 2

Project No.	Contracted Projects as at 2019	Total spend expected 2020/21
LEP0136	Old River Lane, Bishop's Stortford - EHDC	£5,553,354
LEP0077	Essex Road Hoddesdon	£5,946,685
LEP0088	Watford Business Park Phase 2	£1,906,441
LEP0168	Cell and Gene Manufacturing - Expansion	£1,812,246
LEP0026	A602 Improvements - (previous Commitment as part of Growth Deal) (LTB)	£10,069,853
LEP0193	North Herts College Hitchin Campus	£2,678,386
LEP0069	Enterprise Zone Quiet Highways	£459,923
LEP0089	Hatfield Regeneration and MSCP	£2,628,412
LEP0153	Oaklands St Albans Campus redevelopment	£2,598,733
	Stevenage GD1	£897,358
LEP0142	Watford Clarendon Road – infrastructure and place shaping improvements	£833,151
LEP0157	Junction 8	£1,619,505
LEP0196	Rothamsted Building	£857,269
LEP0094	Stevenage Bus Interchange	£9,298,762
LEP0165	South Oxhey	£4,082,040
LEP0217	Herts Living Lab	£747,868
LEP0216	RVC Cardiovascular Imaging	£2,800,000
	Stevenage GD3	£9,400,000
<b>TOTAL</b>		<b>£64,189,986</b>

## 6. Delivery of key high/ medium risk schemes by theme

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Table 3 provides a timeline of required actions relating to key **high** or **medium** risk schemes.

**Table 3**

Key themes	Q1	Q2	Q3	Q4
Highways	HCC Transport A602 A120 Essex Road	HCC Transport A602 A120 Essex Road	HCC Transport A602 A120 Essex Road	HCC Transport A602 A120 Essex Road
	Old River Lane Stevenage Bus Station Hatfield MSCP Stevenage GD3			
	Innovation & incubation	Watford Business Park	Watford Business Park	
Skills	NHC - Hitchin	NHC - Hitchin		

## Highways

Key delivery projects for 2020/21 include:

### ▼ A602 Phase B (HCC Highways)

This project has faced difficulties which have hampered expected progression in 2019/20. The majority of these difficulties have now been addressed, and therefore this scheme is expected to meet revised profiles which will see LEP grant defrayed by March 2021.

### ▼ A120 (HCC Highways)

This project gained great momentum in 2019/20 and subject to unforeseen weather or other pre-construction difficulties, it is anticipated that the scheme will meet revised profiles which will see LEP grant defrayed by March 2021.

### ▼ Essex Road New River Crossing (HCC Highways)

This project has faced difficulties which have hampered expected progression in 2019/20. These difficulties have now been addressed, and subject to unforeseen weather or other pre construction difficulties, this scheme is expected to meet revised profiles which will see LEP grant defrayed by March 2021.

## Regeneration

Key delivery projects for 2020/21 include:

### ▼ Bishop's Stortford Old River Lane (EHDC)

Due to continued delays relating to a judicial review, full implementation of this scheme has been delayed, however EHDC have continued to deliver on land acquisitions

etc. It is anticipated that the LEP grant will be defrayed by March 2021, however with reduced timescales this scheme remains a high risk. A project review will be undertaken in conjunction to confirm continued support at the end of June 2020.

#### ▼ Stevenage Bus Station (SBC)

Due to continued delays in agreeing the release of the GD3 monies, this scheme was late in receiving confirmation of the required LEP grant. SBC had commenced key works for this scheme 'at risk' whilst final confirmation from BEIS to release the agreed funds was forthcoming. With confirmation now received it is anticipated that LEP grant will be defrayed by March 2021, however with reduced timescales and planning still outstanding, this scheme remains a high risk.

#### ▼ Hatfield town centre regeneration (WHBC)

This project is identified as a medium risk, as the main multi-storey car park construction phase was due to commence in the later stages of 2019/20, however a delay in obtaining planning permission has resulted in a delay of at least one quarter. It is now anticipated that the scheme will meet revised profiles which will see LEP grant defrayed by March 2021, however we will be maintaining close liaison with WHBC to ensure remedial actions/decisions are made to enable project delivery or suspension (by the end of Q3 2020/21).

#### ▼ Stevenage GD3

As stated above, there are continued delays in agreeing the release of the GD3 monies, whilst final confirmation from BEIS to release the agreed funds was forthcoming. Proposed schemes for the remaining allocation will have to be considered in line with the LEP Assurance Framework and, therefore, with reduced timescales defraying these funds in full remain a high risk.

## Innovation & incubation

#### ▼ Watford Business Park Phase 2 (WBC)

This project is identified as a medium risk, as whilst the lease acquisitions have been secured there remain issues with securing vacant possession of key sites. It is now anticipated that the scheme will meet revised profiles which will see LEP grant defrayed by March 2021, however we will be maintaining close liaison with WBC to ensure remedial actions/decisions are made to enable project delivery.

## Skills

#### ▼ North Herts College Hitchin Campus (NHC)

This project has been identified as high risk due to its ability to deliver LEP grant fund activity before the end of March 2021. At present the scheme still requires planning permission which it had originally hoped would be awarded by the end of March 2020. It is now anticipated that planning permission will be awarded by the end of December 2020, which would still allow LEP grant funds to be defrayed by March 2021, however we will be maintaining close liaison with NHC to ensure remedial actions/decisions are made to enable project delivery or suspension.

All the above projects are subject to monthly progress meetings with the contractors. Any major deviation from profile will trigger a remedial action plan. It should be noted however that the above schemes may be adversely impacted by the COVID-19 situation.

Although the LEP has now 'over allocated' against its £159m allocation, we will continue to identify a pipeline of schemes which we will work with in order that their applications are 'spade ready' should existing contracted schemes be suspended or not achieve contract spend milestones.

## 6.1 Key areas for action

The delivery of contracted project spend and outputs is our top operational priority whilst ensuring value for public money. In addition to the actions highlighted above and in line with our Delivery Improvement Plan, we have now put the following in place to provide a more robust approach to LGF performance management:

- ▼ Quarterly meetings with all projects to ensure greater clarity and confidence regarding the delivery of spend and outputs. Attendees include the applicant, the LEP Operations Director (where required), executive lead and a member of the Performance & Assurance team. Discussions will centre on progress to date and anticipated delivery against agreed defrayal and/or output profiles. In addition:
  - ▼ We have identified and are in discussion with those projects that may be in a position to bring forward eligible spend activities.
  - ▼ We will set strict but realistic deadlines for projects where spend activities have slipped.
  - ▼ For projects that are deemed to be high risk, we will agree monthly claims particularly for the period of January/February/March 2021. This will also alleviate year end pressures on our Accountable Body colleagues.
- ▼ Where required, we will insist on project focused remedial action plans. These are agreed with projects to ensure project buy-in and are reviewed and updated at quarterly or monthly project meetings. Should it be required, we will insist on more regular meetings. We are reviewing this approach before potentially applying the process to all projects.

- ▼ In line with their scrutiny role, our Programme Management Committee has directed that projects at risk of underperformance are required to attend Programme Management Committee meetings in order to discuss both funding and/or outputs variances and agree remedial actions.
- ▼ In line with the LEP's Assurance Framework, we will develop and implement a policy and processes for managing under-delivery of outputs to include an agreed process for claw back of allocated and committed LGF where deemed necessary.

## 6.2 COVID-19 actions

Due to the outbreak, it is now more likely that applicants or their suppliers may find they are unable to perform to time/budget under their agreements and so request a re-profile that will affect our year end or overall programme. We continue to monitor this and will continue with:

- ▼ Regular contact with applicants, monitoring and reporting to Board.
- ▼ Discussion with BIES about year end and Growth Deal end flexibility in the light of COVID-19.

# 7. Outputs

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Table 4 provides an overview of profiled outputs for the 2020/21 delivery period.

Table 4

Metric	2020/21 profile
Houses	3,638
Commercial floorspace	32,501
Jobs	1,639
Apprenticeships	771
New learner assists	2,136

The above output targets are subject to quarterly progress meetings with the contractors. Any major deviation from profile will trigger a remedial action plan. It should be noted however that these outputs may be adversely impacted by the COVID-19 situation.

## 8. Growing Places Fund

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2020/21 Growing Places Funding is on-going for projects including a Skills & Apprenticeship Information Portal, additional LEP-wide start-up provision, a loan fund for growing SMEs and for additional activities to support the Visit Herts programme. It should be noted that the recent GPF allocation will leverage an additional £2.5m ESIF funding for Hertfordshire. There remains a £1.1m balance from the original GPF allocation available for new projects. Existing GPF projects are on profile to meet both spend (and associated repayment) and output profiles.

# 9. Hertfordshire Growth Hub

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The Hertfordshire Growth Hub (HGH), delivered by a consortium of local partners including Exemplas, Hertfordshire Chamber of Commerce and the University of Hertfordshire, continues to provide a blend of an online service with face-to-face advice delivered through Growth Account Managers, who broker clients to private and public sector service offers. HGH have met and, in the main, exceeded its year 1 targets and has worked alongside the LEP to deliver a pre and post Brexit business resilience programme for local SMEs. The current contract for the HGH delivery has been extended to the end of March 2021. The LEP commissioned an external evaluation of the HGH model (March 2020), the results of which will be used to agree the delivery model for HGH post March 2021.

In light of the COVID-19 outbreak, the HGH has been positioned as our primary channel for communicating to and offering support to businesses and we will continue to working with them as the situation develops. We have extended the Growth Hub contract so there is no break in contract in the midst of the outbreak.

In addition to the basic Growth Hub funding of £287,000 a further £249,500 was allocated with priority to support businesses during the COVID-19 crisis and appropriate plans for this will be put in place.

Our first immediate task post COVID-19 was to provide the Herts business base with a user-friendly format to access information on the current grants and funding available and as part of this HGH have set up a dedicated page for business related enquiries - [COVID-19 Business Resource Page](#).

# 10. European Structural Investment Funds

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## I. European Social Fund (ESF)

As at the end of 2019/20, 89.5% of the ESF has been fully committed with an additional £0.5m or 0.5% currently subject to an open call. The remaining allocation has been moved to a 'National Reserve' Fund against which local bids can be made. It is anticipated that an additional £2.9m or 10%, will be allocated by the ESFA, under current opt in arrangements to existing delivery partners. The focus for 2020/21 will be to deliver all contracted ESF schemes and ensure delivery of contracted outputs. DWP have announced a list of COVID-19 related flexibilities primarily related to delivery of existing schemes, LEP will liaise closely with existing schemes to ensure their relevance to meeting COVID-19 related challenges.

## II. European Regional Development Fund (ERDF)

As at the end of 2019/20, £23.2m of Hertfordshire projects are contracted and a further £5.8m project applications are either under appraisal or have been invited to submit full business case applications. This represents a commitment of 90.3% of Hertfordshire's notional ERDF allocation. The focus for 2020/21 will be to support these project applications to become contracted projects and to work with all contracted projects to ensure delivery of contracted targets. In addition to this we will continue to work with all contracted projects that form part of the Hertfordshire Growth Package, to encourage collaboration with the Hertfordshire Growth Hub as the primary access channel for business support in Hertfordshire. Unallocated funding of £3.1m was moved to the National Reserve Fund, against which local bids can be made. MHCLG have announced a list of COVID-19 related flexibilities primarily related to delivery of existing schemes and the LEP will liaise closely with existing schemes to ensure their relevance to meeting COVID-19 related challenges.

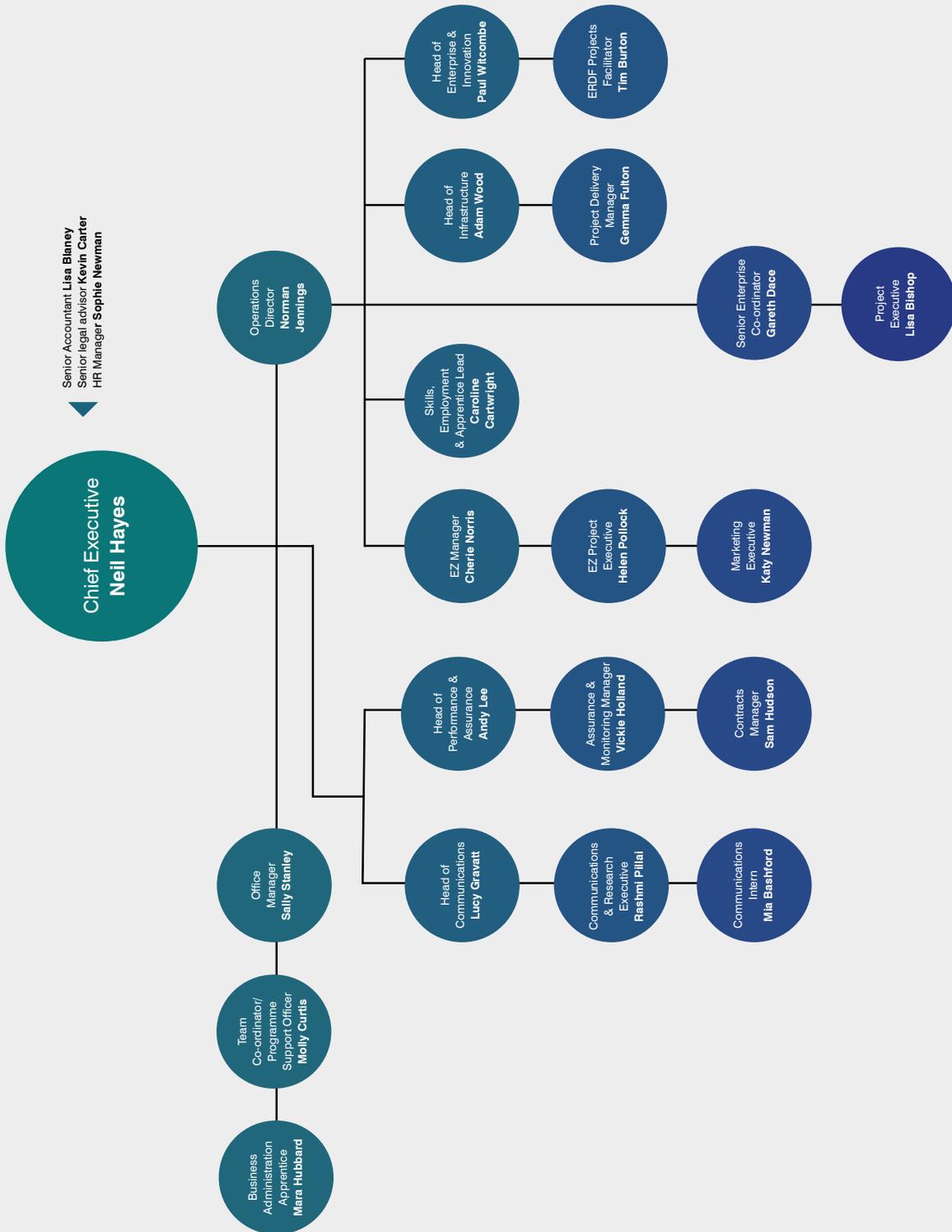
# Conclusion

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This Annual Delivery Plan sets out our programme of work for 2020/21. It will be regularly reviewed and monitored to ensure that we have the flexibility to respond within existing local and national frameworks, and that we have the capacity, capability and expertise to meet these new challenges and opportunities. It reflects our place within the wider growth proposition for Hertfordshire and our ability to check and challenge current ways of thinking, embrace digital and technological solutions and provide the stimulus, hope and ambition for Hertfordshire's recovery.

We will no doubt do far more over the year than this plan outlines. Likewise, there will be some proposed interventions that, as the UK economy changes, will evolve, grow or, in some cases, possibly not be taken forward. Given this, our Plan outlines our proposed activities for the 20/21 period.

# Hertfordshire Local Enterprise Partnership Executive Team Organisation Chart June 2020



# LEP Risk Register 6/17/20

## Current Risk Score



Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R8	2021 LGF Spend Deadline - project under performance	Delivery	<p>LGF targets will not be achieved, this will lead to project failure as LGF will be withdrawn by the Government if applicants have not claimed it by the deadline.</p> <p>Revenue spend will not be capitalised and revert to revenue and clawed back from applicants.</p> <p>The LEP under performs and the government claws back LGF from Herts LEP.</p>	5 Almost certain	8 High	Severe	Andrew Lee	16/06/20
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
<p>Engagement with BEIS. Engagement with applicants to ensure they are aware of the deadline. Effective monitoring of projects to ensure they are on track to deliver in the required timescale. Programme team is working on an effective to model to monitor slippage.</p> <p>PMC have been asking applicants to attend PMC meetings to explain their mitigating actions.</p> <p>Projects have been asked to supply Remediation Plans and alternative funding packages (plan Bs).</p> <p>Discussions have been underway with HCC Highways to give them more freedoms and flexibilities on spend.</p> <p>LEP to work with BEIS to agree a reasonable extension for LGF projects that cannot deliver project spend by the March 2021 deadline.</p> <p>The LEP has over programmed to reduce the risk of being underspent.</p>							Severe	up

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R9	Stevenage Portfolio will not spend £19m in one year	Governance	BEIS could clawback this funding, LEP underspending LGF, LEP Left to reallocate funding in short timescale.	5 Almost certain	8 High	Severe	Norman Jennings	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
<p>Governance board is in place (march 2020) which unlocks the GD3 funding.</p> <p>Pre-allocated SBC Bus station (£9.6m).</p> <p>LEP working with SBC to deliver applications for realistic projects. SOC have been received for two projects which could deliver the remaining spend, full business case outstanding 30/04/2020. September is the earliest they can be approved if no exceptional meeting is created.</p>							Severe	up

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R1	<b>Business Coordination</b>	Business Resilience	Lack of coordinated approach to business and employee support and engagement across Herts leads to policy vacuum and/or loss of health, wellbeing, jobs, economic output & productivity.	3 Possible	16 Very high	Severe	Norman Jennings	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
<p>Establish an Economic Resilience Group - in progress</p> <p>Economic Resilience Group (intelligence and delivery) - in progress</p> <p>Establish a strategy that fully supports and engages employers (and employees?) - in progress.</p> <p>Update Local Industrial Strategy.</p> <p>LEP to lead collaboration with BCC, FSB, CBI, LGA, CCN etc.</p> <p>Agree any local LEP resources e.g. payment mechanism and/or liquidity assistance - going to LEP Board 23rd April 2020.</p> <p>Use of Growth Hub to build capacity - in progress.</p> <p>Gather local intelligence, capturing the behaviour of intermediaries, banks, SMEs, larger corporates and their supply chains including through use of questionnaires - in progress</p> <p>Weekly return to Central Government to escalate issues - in progress.</p>							Significant	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R2	<b>Business Support &amp; Communications</b>	Business Resilience	In a fast-changing environment, businesses are unaware of full range of support available	4 Likely	16 Very high	Severe	Lucy Gravatt	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
<p>Establish a comms strategy that fully supports and engages employers (and employees?) - in progress</p> <p>Effective use of Herts LEP website, twitter, insta - ongoing</p> <p>Use of Growth Hub to build capacity as a trusted channel of communication - in progress</p> <p>Consider resource implications and re-task existing team members if necessary - complete</p>							Significant	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R3	<b>Applicants or their suppliers may find they are unable to perform to time/budget under their agreements</b>	Business Resilience	Projects slip or are abandoned. Applicants may seek to use the a force majeure clause or similar. This could be up to £43m of slippage across all the projects (out of £63m).	4 Likely	16 Very high	Severe	Norman Jennings	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
<p>Regular contact, monitoring and reporting to Board - ongoing.</p> <p>The Q4 2019-20 reporting data return ha been postponed to Q1 2020-21 reporting period - in place.</p>							Significant	Up

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R10	Political intervention into projects	Governance	Projects are unable to go ahead or are delayed.	4 Likely	8 High	Severe	Andy Lee	17/06/2020
Mitigating actions							Post Mitigation Risk Score	Risk Trend
Effective engagement with stakeholders. Regularly review project progress and likelihood of delivery, including a cut off date where project funding is withdrawn. Open and transparent processes and decision making.							Significant	Up

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R11	Changes in Future Funding	Strategic	Projects do not received funding and therefore no outputs delivered. Large reputational damage.	2 Unlikely	16 Very high	Severe	Andy Lee	17/06/2020
Mitigating actions							Post Mitigation Risk Score	Risk Trend
Herts LEP has achieved highly in the Annual Performance review and there is no concern that it will not be given its 2021 allocation. The LEP will continue to report and raise the profile of its successful projects e.g. Annual Report, BIS Annual Conversation etc. The LEP will continue to develop the management of its programmed so can be flexible to change. Covid-19 has increased the likelihood of LEP's being kept for assisting in the recovery of the economy.							Significant	Up

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R12	Failure to have effective monitoring and reporting of programmes	Governance	The monitoring and reporting of key information to BEIS and the LEP Board will not be possible which would breach NAF requirements.	4 Likely	4 Medium	Significant	Andy Lee	17/06/2020
Mitigating actions							Post Mitigation Risk Score	Risk Trend
Ensure that in the development of projects with applicants, that the monitoring requirements are clear and embedded and agreed at each project gateway stage. That final agreements are consistent and clear in the key monitoring requirements. A set of monitoring templates have been produced. Ensuring effective regular monitoring regime is in place post agreement. Regular contract with applicants and having a good relationship. Monthly internal meetings to discuss projects with Operations and Delivery Teams (currently virtual) Monthly meetings with our BEIS relationship Manager to report project progress (currently virtual). Building in timescales to allow for delays in applicant reporting.							Significant	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R13	Projects fail to deliver to the agreed requirements - Outputs	Delivery	LEP not able to demonstrate satisfactory output delivery. Not meeting outputs targets or deadlines.	4 Likely	4 Medium	Significant	Andy Lee	17/06/2020
Mitigating actions							Post Mitigation Risk Score	Risk Trend
Review and agree LGF outputs with BEIS. Through entering into formal project agreements with applicants the LEP will have the power to enforce mitigating action should the project risks become unmanageable e.g. clawback of funds. Over profiling reduces this risk.							Significant	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R14</b>	<b>Clawing back funding from applicants</b>	Delivery	Risk of challenge and the political consequences of this. Reputational damage. LEP will need to reallocate the funding in a short timescale.	4 Likely	4 Medium	Significant	Andy Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
Review and agree LGF outputs with BEIS. Through entering into formal project agreements with applicants the LEP will have the power to enforce mitigating action should the project risks become unmanageable e.g. clawback of funds. Over profiling reduces this risk.							Significant	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R15</b>	<b>Contract Delays</b>	Delivery	Delays to contracting with projects which delays the release of funding. Reputational risk.	4 Likely	4 Medium	Significant	Sam Hudson	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
Wider Legal team engagement. Documents drafted by the LEP. New templates agreed in advance.							Significant	Up

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R37</b>	<b>Loan Repayment Defaults</b>	Delivery	Loan recipients are not able to repay LEP loans.	3 Possible	8 High	Significant	Norman Jennings	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
Regular contact with loan recipients and review of recipient finances and project progress.							Significant	New

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R4</b>	<b>Employees who become sick or who have sick Family Members are concerned or become stressed</b>	Business Resilience	LEP staff cannot work.	3 Possible	8 High	Significant	Neil Hayes	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
Create a communications plan that includes providing employees and other stakeholders with regular situation updates as well as actions taken - ongoing Offer visible support from board, SMT and Line Managers - ongoing Amend sickness policy (HCC standard) - ongoing Make staff aware of HM Government support for employees - ongoing Specific actions may require involvement and/or input of particular board committees e.g. remuneration committee? - in progress							Material	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R5	Service providers not able to deliver the required service	Business Resilience	Key LEP services are not delivered by our service providers: (e.g. Growth Hub, Visit Herts, Wenta , PDMS(HOP) due to them furloughing staff due to lack of subscription, or lack of income themselves.	3 Possible	8 High	Significant	Norman Jennings	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
Extending the Growth Hub contract so theirs no break in contract - approved LEP Board 28th April 2020. Release payment for Visit Herts earlier than normal - approved Quarterly claims to ease cash flow - approved Provide additional resources as required i.e.: extra comms staff - complete							Material	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R16	LGF over programme by £8m		If all projects spend as anticipated the LEP does not have enough LGF to cover the full amount.	2 Unlikely	8 High	Significant	Andrew Lee	30/04/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
The LEP has £7.5m of GPF loan that has just been repaid. The LEP has the ability to remove funding from under performing projects.							Material	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R17	Scrutiny - The LEP does not meet the requirements of the NAF	Governance	Impact on governance score in the APR, this would mean the LEP would need an improvement plan, a deep dive and potentially BEIS withholding funding for 2021.	2 Unlikely	8 High	Significant	Andrew Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
LEP has meant with head of scrutiny at HCC and have proposed scrutiny methodology which would go above the BEIS requirements.							Material	Up

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R18</b>	<b>Unable to retain or attract Board Members. Not seen as transparent recruitment</b>	Governance	Non-compliance with Assurance Framework and BEIS requirements. There is a risk the LEP may be seen to not consult the business community as much as possible when advertising for a new Chair or Deputy Chair.	2 Unlikely	8 High	Significant	Andrew Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
<p>Promotion of the LEP with board members/stakeholders/business. Ensure the role of the boards is suitably engaging and relevant.</p> <p>Communications have been doing targeted promotion and marketing to reach minority groups.</p> <p>Succession planning in place.</p> <p>Unsuccessful applicants are utilised in other boards and welcomed back to apply when new spots are available.</p> <p>A full Recruitment of board members is openly advertised across businesses, the public sector and through engagement with stakeholders in Hertfordshire. The LEP use HCC recruitment for all board members. Update: working with diversity champion and Head of HR at HCC to actively target candidates and asking them to apply</p>							Material	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R19</b>	<b>Failure to meeting the terms of the APR</b>	Governance	Impact on scores in the APR, this would mean the LEP would need an improvement plan, a deep dive and potentially BEIS withholding funding for 2021. Process is more complicated and has 4 different times to respond, failure to meet these would impact on the overall scores.	2 Unlikely	8 High	Significant	Andrew Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
<p>Effective programme management, timelines have been shared with all staff members involved. Recourses in place to respond inc senior stakeholder engagement. Timelines and deadlines available to see by the teams involved.</p> <p>Passed recent APR, met all timescales and requirements.</p>							Material	Up

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R20</b>	<b>State Aid Due Diligence</b>	Governance	Resulting in a challenge and potential repayment of funds.	3 Possible	8 High	Significant	Andrew Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
All applicants now have to provide independent legal advice on State Aid before LEP funding is awarded.							Material	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R21	Failure to receive grant from BEIS	Strategic	Projects that run over more than one financial year will not have assurance of funding which may affect project/ programme delivery	3 Possible	4 Medium	Significant	Andrew Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
<p>This risk occurs nationally across all LEPs.</p> <p>The LEP continues to raise the implications and risks with BIS through its monthly meetings and Annual Conversation.</p> <p>LEP has met the APR requirements and are awaiting transfer of the funds. Final year of funding confirmed by BEIS.</p>							Material	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R22	Local Industrial Strategy	Governance	No future funding, the LIS is not valued by the new government, policy may change and another strategy might be needed.	2 Unlikely	8 High	Significant	Andrew Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
Engaging with government to ensure the LEP is aware of any changes and feeding into government policy.							Material	Up

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R38	BEIS withholding 1/3 of final year LGF funding	Delivery	£9m (1/3) of funding withheld until contractual commitments and spend confirmed for in year spend. Further detail in a letter from BEIS dated 13 May 2020. Funding will be released if the LEP can demonstrate it can guarantee project spend before the LGF deadline.	4 Likely	4 Medium	Significant	Andrew Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
<p>Contracting with all projects which are going to spend in 2020/21.</p> <p>Liaising with applicants to ensure projects will deliver in the remaining timescales.</p> <p>Work with HCC to use freedoms and flexibilities to manage future funding.</p> <p>Discuss with BEIS the potential for rolling over some spend into 2021/22 - this particularly applies to SBC GD3.</p>							Material	New

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R23	Failure to comply with our own Assurance Framework	Governance	Open to challenge of non-compliance e.g. inappropriate use of public funds.	3 Possible	4 Medium	Significant	Andrew Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
Head of Assurance sits in on all project pathway meetings and boards and enforces the Assurance Framework requirements. AF updated regularly - April 2020 to allow for COVID-19 flexibilities.							Manageable	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R24	Governance Structure is 'not fit for purpose'	Governance	Unable to manage new projects coming forward affectively	3 Possible	4 Medium	Significant	Andrew Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
All boards are being reviewed and their Terms of Reference updated. A new Chairs' Panel has been created to enable faster decision making. Governance review is underway.							Manageable	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R25	Understanding of funding requirements	Delivery	Project risks materialising which could result in both programme, funding and in some cases a reputational impact.	3 Possible	4 Medium	Significant	Andrew Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
An applicant's pack is now in place and reviewed by the LEP Executive Project Development Manager in place. Two stage application process in place to reduce poor projects being developed. Monthly Operations meetings are held to review projects.							Manageable	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R26	No projects coming forward resulting in a weak pipeline	Delivery	Large underspend of growth deal funds.	2 Unlikely	8 High	Significant	Andrew Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
Open Calls have been announced which has helped develop a better pipeline. Website has been updated to clarify that the LEP is open to receive applications at any time. This is discussed at meetings with potential new projects. The LEP is now over profiled and the need for a pipeline is less key. Project Development Manager in place.							Manageable	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R6	Corporate Governance is impacted by C19	Business Resilience	LEP falls foul of the Law or HCC/LEP governance.	2 Unlikely	4 Medium	Material	Neil Hayes	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
<p>Establish a strategy that enables LEP employees to continue to function without endangering them - complete</p> <p>Have a plan to isolate employees should the threat of possible infection arise - complete</p> <p>Ensure we have tools, technology, capacity, and security measures in place to support effective and safe remote working- complete</p> <p>Implement restrictions on Travel. - complete</p> <p>Identify key employees and ensure other staff members have received appropriate training to comprehensively cover their absence. - in progress</p> <p>Map dependencies to understand where disruptions might impact. - complete</p> <p>Consider specific resource implication of year-end closedown. - in progress</p> <p>Review the preparedness of your critical third parties (suppliers, vendors, etc.). - in progress</p> <p>Identify single points of failure in our overall operations and look to eliminate - complete</p>							Manageable	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R7	LEP cannot remain effective due to internal resources pressures	Business Resilience	LEP not delivering its core work.	2 Unlikely	4 Medium	Material	Neil Hayes	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
<p>Establish a strategy that enables LEP employees to continue to function without endangering them - complete</p> <p>Have a plan to isolate employees should the threat of possible infection arise - complete</p> <p>Ensure we have tools, technology, capacity, and security measures in place to support effective and safe remote working- complete</p> <p>Implement restrictions on Travel. - complete</p> <p>Identify key employees and ensure other staff members have received appropriate training to comprehensively cover their absence. - in progress</p> <p>Map dependencies to understand where disruptions might impact. - complete</p> <p>Consider specific resource implication of year-end closedown. - in progress</p> <p>Review the preparedness of your critical third parties (suppliers, vendors, etc.). - in progress</p> <p>Identify single points of failure in our overall operations and look to eliminate - complete</p>							Manageable	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
R27	Incorporation	Governance	Incorporation is not fully embedded.	2 Unlikely	4 Medium	Material	Andrew Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
<p>The LEP was incorporated 28th March 2019. An action log is in place to work through outstanding issues.</p> <p>Company secretary is now a nominated role to comply with companies house legislation.</p>							Manageable	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R28</b>	<b>Failure to meeting diversity target</b>	Governance	Fail to meet APR requirements. BEIS would withhold LEP funding.	2 Unlikely	4 Medium	Material	Sally Stanley	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
LEP has a diversity champion. Worked to achieve 33% female target. LEP already met the other two criteria. Succession planning in place. Additional LEP board member being recruited to increase the number to 16.							Manageable	Up

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R29</b>	<b>Accountable Body and LEP Accountabilities</b>	Governance	A failure in compliance with the Assurance Framework, a break down in the relationship, effect on the delivery programme and reputational impact with the government and partners.	2 Unlikely	4 Medium	Material	Andy Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
Memorandum of Understanding between the Accountable Body and the LEP has been drafted. The LEP and Accountable Body develop a Memorandum of Understanding that clearly sets out the roles and accountabilities of each party.							Manageable	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R30</b>	<b>LEP as lead applicant</b>	Governance	LEP is responsible for any cost over runs. Project receives preferential treatment.	2 Unlikely	4 Medium	Material	Andy Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
External appraisals in place. All projects follow the same project pathway. Be clear through the project life cycle why the LEP is lead applicant and the risks to the LEP. Develop clear guidance and process of evaluation for the LEP. All projects are approved by the Chairs' Panel and LEP Board. All applicants are reported in the same way and follow the same project pathway including being scored against the same scoring matrix. LEP lead does not score during the officer sift process.							Manageable	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R31</b>	<b>Poor Information Management</b>	Governance	Unable to effectively manage LEP programme and budgets. Incorrect information being relayed to LEP Boards and BEIS.	2 Unlikely	4 Medium	Material	Sam Hudson	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
An Ops meeting reviews the project information on a monthly basis. Streamline dashboards have been created to effectively managed this information.							Manageable	Down

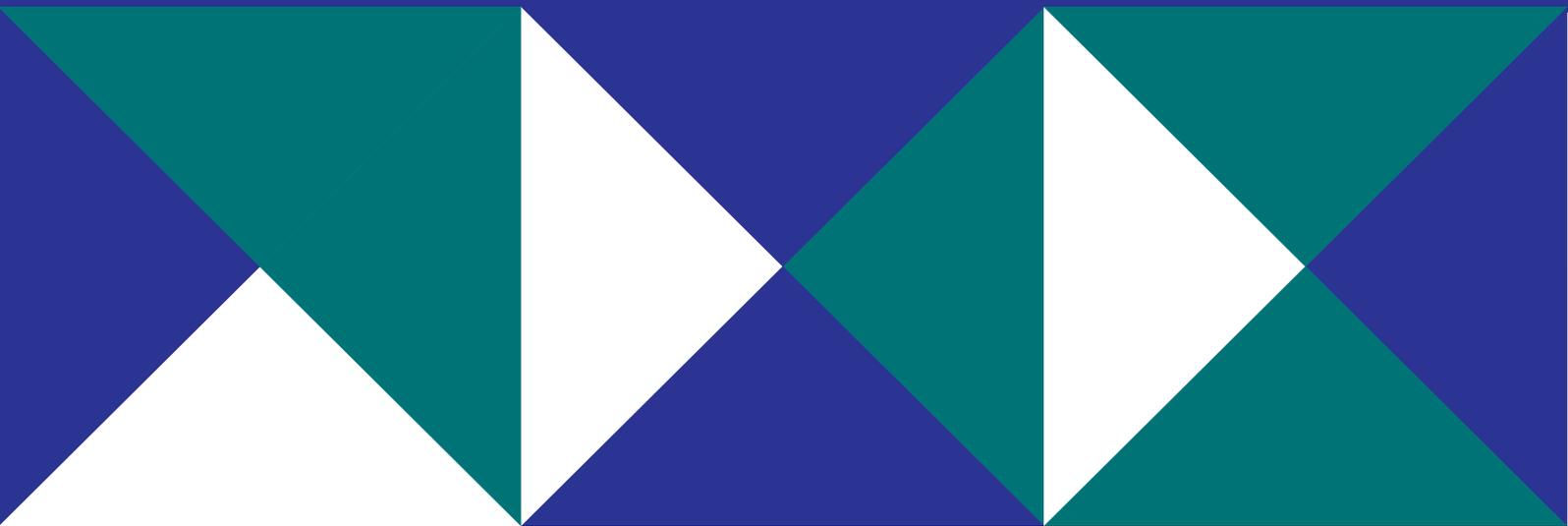
Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R32</b>	<b>S151 does not have enough capacity</b>	Governance	Non-compliance with Assurance Framework and BEIS requirements.	2 Unlikely	4 Medium	Material	Andy Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
The LEPs articles of association/Assurance Framework details the roles and responsibility of the accountable body and the S151. Deputy in place to stand in when S151 cant attend.							Manageable	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R33</b>	<b>VAT implications</b>	Governance	LEP is could be subject to VAT and therefore lose some of its budget to this.	1 Rare	4 Medium	Manageable	Andy Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
Engagement with BEIS and other LEPs who are going through the same process. Working with the Accountable Body to establish an appropriate position.							Manageable	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R34</b>	<b>Costs and additional resources as a result of incorporation</b>	Governance	The LEP cannot afford to meet the demands of incorporation.	1 Rare	4 Medium	Manageable	Andy Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
£200k additional funding provided for 2018/19. Long term operational budget for LEPs needs to be clarified. Agreed with AC staff with not be TUPE at this stage.							Manageable	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R35</b>	<b>AGM may not be perceived as being open to the public</b>	Governance	The LEP is not deemed transparent and accountable for public funding.	2 Unlikely	2 Low	Manageable	Lucy Gravatt	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
The LEP will ensure there is clarity on AGM communications material that the event is open to the public and will advertise it widely. Communications team are aware of the requirement.							Manageable	Down

Title of risk	Title of risk	Nature of Risk	Consequences of risk	Current Likelihood	Current Impact	Current Risk Score	Officer responsible (Risk Owner)	Review Date
<b>R36</b>	<b>Accountabilities - who in the LEP is responsible for what decisions</b>	Governance	It is not clear who is responsible for decision making, making the LEP seem non-transparent and unaccountable for public funding.	3 Possible	1 Negligible	Manageable	Andrew Lee	17/06/2020
<b>Mitigating actions</b>							<b>Post Mitigation Risk Score</b>	<b>Risk Trend</b>
The LEP has drafted a Schemes of Delegation which clearly articulates who is responsible for making what decision.							Manageable	No change



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