

North East
Local Enterprise Partnership



North East Strategic Economic Plan

Progress Review

January 2017 to December 2018



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Introduction

The North East Strategic Economic Plan (SEP) was published in 2014, setting out an economic narrative and objectives for the North East Local Enterprise Partnership (LEP) area. The plan's vision was, and still remains, to create 100,000 more and better jobs for the region by 2024.

The plan explained how investment funding would be used to support and grow the regional economy.

A refreshed plan was published in January 2017, (that identified medium-term strategic goals), a two year delivery plan for all six programmes for 2017 and 2018 and showed progress against the six economic performance targets defined in the SEP.

Delivery of the SEP is a regional commitment, it is jointly owned by partners and championed by the North East LEP Board that brings together leaders from business, education and local authorities. Focus has been on ensuring the SEP remains in tune with the economic and public policy environment, and positions the region appropriately.

The Board agreed to update the SEP again and publish the updated document in early 2019. The rationale for this update was:

- To use the economic evidence report (Our Economy 2018) and a wide range of other reports and to ensure the SEP is based on the most current robust evidence available
- The need to address the changes in the economic environment including the UK's decision to leave the European Union, the Industrial Strategy, the ongoing evolution of sub-national structures, including the Northern Powerhouse, the North of Tyne devolution deal and the national LEP review, which looks to strengthen Local Enterprise Partnerships and position them more clearly as collaborative regional structures
- To update the delivery programmes for 2019 - 2021.

This document sets out the progress of actions which the SEP set out to deliver by the end of 2018 and the progress against the six delivery programmes and investment funding.

It is important to note that the SEP is a regional document and the delivery of programmes is carried out by the North East LEP and key partners. The North East LEP provides leadership for the programmes of delivery. This document also sets the scene for the updated SEP that will be published in February 2019.

Together with our partners, we are working to deliver **100,000 more and better jobs** for the North East by 2024.



49,600 (77%) of these were better jobs.



■ Complete
■ In delivery
■ Not yet commenced

Innovation programme

Innovation is central to the SEP's long term ambition to build a more productive North East with a competitive and embedded business base with creative and inclusive communities. Innovation means making the most of new ideas, products, processes and applications to develop new businesses and make existing businesses more effective, efficient and profitable. Matching what is needed with what is possible can lead to better social outcomes, as well as a stronger economy, by developing and delivering new approaches to the problems faced by individuals and communities. The Innovation programme for 2017 and 2018 is set out below.

The SEP set out that by December 2018:

Progress to date

Ecosystem development

<p>The Innovation Observatory will be fully established with sustainable funding models, becoming increasingly internationalised.</p>	<p>The Innovation Observatory's role is to identify best practice relevant to future growth and present this in a way tailored to North East businesses and policy makers. The Innovation Observatory has been taken forward by the local universities led by Durham University Business School. To date, it has highlighted some areas of future technologies that link strongly with local capacities. The Innovation Observatory report also considers the breadth of indicators required to understand innovation in practice.</p> <p>The initial support for the Innovation Observatory from the North East LEP and Durham University was provided to trial the approach to show the potential. Following on from this, partners were to identify and approach other, larger funding opportunities which would provide long-term funding and continue these activities. Partners seek to consider routes to continue this activity.</p> <p>Alternative models to develop the intelligence around the innovation system performance are planned for 2019.</p>
<p>There will be a programme in place supporting the development of a stronger network of incubators and hubs in the region.</p>	<p>Together with Newcastle City Council, the North East LEP commissioned a piece of market research to understand the current provision and gaps around incubation in the local area.</p> <p>This informed the development and launch of the £2 million Incubator Support Fund, funded from Local Growth Funding (LGF) to support capital improvements to equipment or facilities to provide additional incubation support. Four projects are being considered for funding.</p>
<p>Proof of concept funding will be available and understood.</p>	<p>As part of the £120 million North East Fund, a £27 million Innovation Fund was created that will operate from 2018 to 2023 providing investment of between £50,000 and £500,000 for innovative ideas and businesses.</p> <p>The Innovation Fund provides funding at the early stage of development including for proof of concept by demonstrating the feasibility of the product or service.</p> <p>Projects funded include:</p> <ul style="list-style-type: none"> • Centre for Sustainable Advanced Manufacturing: The North East LEP has allocated resources from its Development Fund to Sunderland University and the North East Automotive Alliance to develop a full business case for this proposal, so that it is in a position to secure funding for the development. • Centre for Smart Delivery of Medicines: The North East LEP has allocated resources from its Development Fund to the Centre for Process Innovation to develop a full business case so it is in a position to secure funding for the project.
<p>The North East's growing reputation for innovation leadership will be established.</p>	<p>The North East LEP has engaged with Innovate UK and the Department for Business, Energy and Industrial Strategy (BEIS), to raise awareness of our region's innovation focus and capability. We need to continue to maintain and develop these relationships with Government.</p> <p>The North East LEP has also worked with partners to develop and champion key projects at a regional and national level, further raising awareness of North East's capabilities.</p>
<p>We will have secured support for Science and Innovation Audits (SIA's) that project the North East's strengths nationally, providing a basis for strengthened public investment</p>	<p>The North East LEP has been involved in six SIAs:</p> <ul style="list-style-type: none"> • Bioeconomy of the North • Application of satellite technology • Subsea and offshore technologies • Health innovation • Chemical processes • Application of digital technologies to advanced manufacturing. <p>The SIA's have produced a strong, nationally recognised evidence base for investment in the North East around these areas. The findings from the Science and Innovation Audits closely mirror those of the national Made Smarter Review confirming that the North East would be a natural location to make progress with this agenda.</p>
<p>We will have strong and collaborative relationships with Innovate UK, UK Research and Innovation (UKRI) and across the Catapult network.</p>	<p>A refresh of the North East LEP's Innovation Board was undertaken in June 2017 to strengthen these relationships. Innovate UK and the Catapults are now named members. The North East LEP is leading the regional relationship with Innovate UK, Department for Business, Energy and Industrial Strategy and the Catapult network.</p>

Innovation infrastructure

<p>The six LGF projects approved in 2014 will be fully operational:</p> <ul style="list-style-type: none"> • Hope St Xchange, University of Sunderland (formerly Sunderland University Enterprise and Innovation Hub) • National Centre for Healthcare Photonics, Centre for Process Innovation, NetPark • Life Sciences Incubator, Helix, Newcastle • National Centre for Innovation in Formulation, Centre for Process Innovation (CPI), NetPark (The Biosphere) • Low Carbon Energy Centre, Helix, Newcastle • Infrastructure works to support extension of NetPark. 	<table border="1"> <thead> <tr> <th>Project</th> <th>LEP Investment</th> <th>Current Status</th> </tr> </thead> <tbody> <tr> <td>Hope St Xchange, Sunderland</td> <td>£4,900,000</td> <td>Completed March 2017</td> </tr> <tr> <td>National Centre for Healthcare Photonics, NetPark</td> <td>£8,160,000</td> <td>Completed December 2018</td> </tr> <tr> <td>The Biosphere, Helix, Newcastle upon Tyne</td> <td>£8,600,000</td> <td>Completed November 2018</td> </tr> <tr> <td>National Formulation Centre, NetPark</td> <td>£8,900,000</td> <td>Completed January 2018</td> </tr> <tr> <td>Low Carbon Energy Centre and Heat Network, Helix, Newcastle upon Tyne</td> <td>£2,800,000</td> <td>Under construction, due to be completed 2019</td> </tr> <tr> <td>Infrastructure works to support extension of NetPark</td> <td>£5,091,141</td> <td>Completed November 2018</td> </tr> <tr> <td colspan="3">Additional projects approved</td> </tr> <tr> <td>Proto: Centre for Emerging Technologies, Gateshead</td> <td>£968,830</td> <td>Completed August 2018</td> </tr> <tr> <td>Explorer, NetPark</td> <td>£3,200,000</td> <td>Completed January 2018</td> </tr> </tbody> </table>	Project	LEP Investment	Current Status	Hope St Xchange, Sunderland	£4,900,000	Completed March 2017	National Centre for Healthcare Photonics, NetPark	£8,160,000	Completed December 2018	The Biosphere, Helix, Newcastle upon Tyne	£8,600,000	Completed November 2018	National Formulation Centre, NetPark	£8,900,000	Completed January 2018	Low Carbon Energy Centre and Heat Network, Helix, Newcastle upon Tyne	£2,800,000	Under construction, due to be completed 2019	Infrastructure works to support extension of NetPark	£5,091,141	Completed November 2018	Additional projects approved			Proto: Centre for Emerging Technologies, Gateshead	£968,830	Completed August 2018	Explorer, NetPark	£3,200,000	Completed January 2018
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Whilst the capital elements of the LGF projects are now largely complete, the delivery phase to realise the ambition is now starting.



■ Complete
■ In delivery
■ Not yet commenced

Innovation programme

A number of projects resourced through European Regional Development Funds (ERDF) will be in active development including:

- SME Innovation Programme – North East BIC
- Emerging Electronics Manufacturing Centre – CPI
- North East Innovation Supernetwork
- The Innovation Pathway – RTC North
- Creativity Works – Newcastle University
- Innovate2Succeed – RTC North.

Through close work with partners and the Ministry for Housing, Communities and Local Government, more than £35 million of ERDF has been awarded across the research and innovation funding streams.

All projects are approved and in delivery.

Project	Lead organisation	ERDF investment
North East SME Innovation Programme	North East BIC	£820,438
Arrow	Newcastle University	£1,696,186
Emerging Electronics Manufacturing Centre	CPI	£2,595,800
North East Innovation Supernetwork	North East BIC	£521,439
Collaborative Outreach in Applied Surface Engineering Technologies (COAST)	CPI	£2,709,735
Development of a North East Water Hub	Durham University	£387,883
The Innovation Pathway	RTC North	£787,500
SME SPOTLIGHT - Photonics and Emerging Technologies for Healthcare SME Support Programme	CPI	£848,784
Innovate2Succeed	RTC North	£500,000
Innovation Durham	Teesside University	£690,511
Hope Street Xchange	University of Sunderland	£2,227,742
Newcastle Laboratory (Life Science and Knowledge Cluster)	Newcastle City Council	£5,166,493
The North East Fund (4)	The North East Fund Limited	£4,999,995
Intensive Industrial Innovation Programme North East (IIIP-NE)	Durham University	£1,473,707
Sustainable Advanced Manufacturing (SAM)	University of Sunderland	£2,596,753
CIF ESM Outreach	CPI	£1,300,351
Creative Fuse	Newcastle University	£838,034
Northern Accelerator	Newcastle University	£463,705
PROTO Centre for Emerging Technologies	Gateshead Council	£3,240,880
Pathways to Innovation	RTC North	£787,500
Catalysing Innovation in North East Clusters	North East BIC	£1,235,226
Digital Innovation Partnership	Sunderland City Council	£1,327,911
GX	NewcastleGateshead Initiative	£636,801
Innovative Materials (Project IMPACT)	CPI	£2,536,608

The role of the region as a test bed environment will be established and at least one new test bed facility and translation asset will be established.

A number of new test bed facilities have been established including the hyperbarric chamber through Tyne Subsea and the developments around the Newcastle Helix site.

Further developments are being taken forward across the North East including the development of a 5G test bed proposal.

The North East LEP has also supported Newcastle led smart systems and heat scheme and the development of the regional waterhub project.

Additional infrastructure needs will be clearly understood to support long-term growth in all areas of innovation.

A £1 million project development fund was launched in November 2017 to support partners to develop high quality, nationally competitive funding proposals and private investor ready plans.

This is intended to increase the likelihood of success for projects by closing the identified gap in development funding.

To date four projects have been approved: Centre of Excellence in Sustainable Advanced Manufacturing (CESAM), IC3, ROCKET and the National Centre for Rural Innovation.

Smart specialisation

Partnership based strategies will be in place for each of the North East's areas of smart specialisation, with implementation plans agreed and leads identified and recognised.

Area of opportunity	Strategy	Implementation plan	Programme lead
Health and Life Sciences	In place	In place	Programme lead in post within North East LEP team
Energy	In place	In place	Programme lead in post within North East LEP team
Advanced Manufacturing	In development	Linked to the outcome of the SIA	Funding not yet secured
Digital	In development	In development	Programme lead in post within North East LEP team

The Data for Growth and Health Quest North East projects will be established resulting in new solutions, products and businesses and social enterprises established or growing.

Data for Growth was a study led by Urban Foresight setting out North East capabilities in, and potential of, embedding the use of data and linked digital technologies into other sectors' products and processes. The project has been completed and informed the Science and Innovation Audit. Smart Data is a key focus for the North East & Tees Valley Digital Catapult programme with multiple projects delivered. Application of satellite data has been a key focus for the North East & Tees Valley Satellite Applications Catapult programme. Newcastle University secured investment to create the National Innovation Centre for Data at the Helix. Health Quest North East was a project aiming to develop innovative solutions to health challenges in the North East. This sought bottom-up solutions to a question rather than procuring a pre-specified response. It was envisaged that EU funding would support this work. It is now clear that an alternative funding source must be secured.



Business growth and access to finance programme

More high growth businesses in the North East LEP area will help us secure economic resilience, improve the rate of private sector employment density and deliver more and better jobs. The North East LEP area had 420 high growth small businesses employing 15,500 people with a combined turnover of £1.8 billion and generated approximately 33% of Gross Value Added (GVA) growth during 2014. The North East needs to maximise the potential of fast-growing businesses that deliver higher levels of growth and employment and secure stronger trade and investment flows. It is estimated that if the North East had 25% more high growth small businesses in 2014, we would have created 2,786 additional jobs and £130 million in additional GVA.

Therefore, our business growth and access to finance programme is focused on increasing the number of high growth small businesses in the North East LEP area by 50% by 2024. This will in turn create 6,000 additional jobs into the North East economy. We also want to continue to secure more inward investment to the region that will contribute to 4,000 new jobs each year. The business growth and access to finance programme for 2017 and 2018 is set out below.

The SEP set out that by 2018:

Progress to date

Scaleup North East - scaleupnortheast.co.uk

Inspiring leaders:

Responding to requests from business leaders for support and advice from their peers, We will encourage and facilitate peer mentoring and introduction.

Growth Hub Mentoring.

The Growth Hub mentoring programme was launched in January 2017. It brings business leaders from high growth potential companies together with experienced business owners / managers who have successfully scaled a business themselves. To date 43 matches 37 aspiring business leaders have been matched with the programme's mentors pool of 41.

The Growth Hub has worked with Be the Business on a programme where Senior Executives from some of the UK's largest businesses such as John Lewis, GSK, BAE Systems and KPMG, are mentors for North East businesses and focus on driving productivity improvements.

Peer to peer leadership development

The Entrepreneurs' Forum Scale-up Leaders' Academy and Newcastle University's Captured programme, have delivered peer-to-peer leadership development to 74 businesses.

Scaleup North East launched in January 2018 and matches businesses that have scaleup potential with a scaleup partner who work with the business's senior team to develop leadership capability. Currently, 211 businesses are on the programme employing 773 people and with an average GVA of £871k per company. These companies forecast to create an additional 241 jobs of which 192 are classified as 'better jobs' and increase average GVA to £1.318m, uplifting GVA from £44k per company to over £53k.

Access to the finance required to grow and scaleup:

We will develop new and existing partnerships that provide impartial and objective access to debt finance and mobilise these funds. The North East LEP will work to attract more investment funds from outside of the region.

The £120 million North East Fund was launched in June 2018 and offers a range of equity, debt and mezzanine funding in the North East LEP area. As of December 2018, the new fund has made 81 investments, total value £11 million.

More work is required to stimulate demand for growth capital, by working more closely with the British Business Bank to move forward the recommendations made in the Governments' Patient Capital Review.

The North East LEP also manages the £55m North East Investment Fund, that is a loan fund supporting capital projects that secure local economic growth and create jobs in our area.

Encouraging the adoption of digital technology:

We will work with partners to deliver a programme of support aimed at encouraging the adoption of digital technology in businesses, drawing expertise from the North East's vibrant digital community.

Supply Chain North East, launched in October 2018 and is a programme that will support industrial digitalisation and the adoption of new to firm technology as a means of driving productivity improvement.

Scaleup North East is working with several digital tech solution providers to ensure that the participants on the programme who need to digitalise to scale to receive the support they need to digitalise different areas of business operations including digital infrastructure, sales and marketing, and talent and leadership management.

The North East LEP worked with Be the Business to deliver a pilot programme aimed at raising awareness of the key drivers of productivity growth in businesses. The pilot 'High Performance' programme included a focus on the adoption of digital technology and provided a 'light bulb' moment for many of the 14 participants.

Support business growth within our areas of opportunity:

We will work with areas of opportunity development groups to identify and target business growth support at areas of need and opportunity.

Scaleup North East has recruited five scaleup partners with expertise through delivery of support to identify areas of opportunity and diversification.

Supply Chain North East has a sector focus on driving competitiveness. Delivery partners RTC North, the North East Automotive Alliance, and the North East Process Innovation Cluster (NEPIC) and Generator North East all of which have specialist sector expertise.

The North East LEP works closely with the regional business representative organisations and other sector groups.

North East Growth Hub northeastgrowthhub.co.uk

The North East Growth Hub is our tailored package of support to help businesses in the North East LEP area to grow. It's made up of a number of programmes and services including Growth Hub online and Growth Hub Connect.

Work with the business support provider community to encourage partnership, collaboration and seamless customer-focused support.

The North East Growth Hub Provider Network meets regularly to share good practice and foster collaboration between partners. A new steering group enables providers to help shape the network agenda in partnership with the North East LEP. The network has defined a series of Continuing Professional Development (CPD) sessions that are aimed at developing the capacity and capability of the network. The network is working together to consider how best it can adapt and flex it's existing offers to support businesses through periods of change, such as Brexit.

Make sure that our support is accessible and caters for all, including the specific needs of social enterprises and rural businesses.

All programmes have been designed to cater for the needs of businesses in rural areas and social enterprise. The Growth Hub Connectors are working with rural and social enterprise support structures to grow awareness of business support and finance available to them. The Rural Growth Network, a programme of capital support for rural businesses totalling £31.1m total value has invested in 32 projects. The £10.5m RDPE Growth Programme has contracted 30 projects and is processing a further 137 applications.

Strengthening flows of inward investment

The Invest North East England (INEE) team will continue to build on the strength, coherence and profile of the North East's offer, and strengthen working relationships with national inward investment teams in the Department for International Trade.

The INEE team are the strategic inward investment team covering the North East LEP area and work closely with the seven local authorities.

During 2018, the sector toolkits have been refreshed. These are used to inform propositions and key selling messages, and the update process ensures these are robust and current.

INEE takes a strategic approach to communications to underpin its inward investment activity.

A bespoke website showcases sector strengths and is supported by a range of marketing collateral and strong social media presence. Content focuses on how North East England Works to convince potential investors that the region should be their business location of choice.

The team has been successful in the Department for International Trade's (DIT) High Potential Opportunity programme that will see a detailed proposition developed in partnership with DIT to look at North East opportunities in the emerging tech sector linking in with advanced manufacturing applications.

North East focused information about our strengths and assets is now integrated into the DIT Northern Powerhouse collateral.

The team has hosted a number of DIT familiarisation visits to the North East to ensure that the DIT team from the UK and Overseas understand the region's strengths and offer, particularly in Life Sciences, Digital Tech and Energy.



■ Complete
■ In delivery
■ Not yet commenced

Business growth and access to finance programme

Ongoing work will develop strategic approaches to opportunities, working with key areas of specialism to strengthen supply chains.

We will identify opportunities for the region alongside other northern or national developments in areas such as low carbon, advanced manufacturing in automotive and pharmaceuticals and digital and professional services.

Energy Gateway North East England is a regional approach to highlight the strategic importance of the North East to companies in the offshore energy sector, promoting not only our North Sea coastal location but our vast experience, knowledge and industry networks. Working with a range of partners, INEE has developed a new micro website on offshore energy assets, capabilities and opportunities that can be found at energygatewaynortheast.co.uk

Our lead generation consultant, OCO Global, continues to work with the team to generate new investment leads from companies in the digital tech and business services sectors predominantly in the London and South East UK markets. OCO identifies companies who have growth ambitions and who find the North East as an expansion location to be of interest. There are currently around 50 OCO-generated projects on INEE's investment pipeline with the potential to create over 800 jobs.

The INEE team sits on the Northern Powerhouse Trade and Industry Group, made up of representatives from all eleven Northern Powerhouse LEPs. The group aims to coordinate, where possible, trade and investment activity across the North and works strategically with DIT Northern Powerhouse and their sector specialists in our key sectors.

Building our trade flows

Respond to these challenges with an intelligent business support offer, working with partners including the Department for International Trade (DIT) and local agencies.

The North East LEP has supported the DIT to secure European funding to strengthen their offer and support to businesses. Work continues with DIT to support the development of their restructured programme to ensure it will deliver greater impact in the North East and that priorities remain aligned to our SEP.

Early response and managing change

Develop a collaborative approach with partners in central government and the region to manage change in key parts of the economy including early warning through stronger relationships with strategic businesses and the co-ordination of services to support business diversification and employee support.

An early response and business resilience policy has been developed and integrated into the Growth Hub marketing plan.

Response is considered against the context of specific challenges such as the Carillion collapse which involved collating and sharing intelligence between national and local partners and advising businesses on the business and financial support available.

Supporting businesses through Brexit has been at the forefront of our activities. We are designing support to assist businesses to diversify their risk through acquiring new customers and to enter new markets to support businesses through the Brexit transition period.

Plans are being worked through to develop the capacity of business support providers via the Growth Hub Provider Network and we are the first LEP nationally to launch a suite of information, specifically for businesses to help them prepare for Brexit via a toolkit on the North East Growth Hub. NBSL launched a Brexit preparation fund to provide funding to help North East SMEs access external expertise to deliver business improvement projects that can maximise Brexit-related growth opportunities and mitigate Brexit-related risks that may impact future business growth.

Energy

Business Support for manufacturing

The Manufacturing Advisory Service, then part of the Business Growth Service, closed in 2015. It had existed regionally in various reiterations since 2002 and then became national in 2010. Following confirmation of Growth Hub budget the North East LEP secured BIS support to invest £100,000 in a specialist manufacturing diagnosis, action planning and signposting programme, the Manufacturing Growth Pilot Programme. The pilot was contracted to BE Group with the delivery contract intended to work with at least 100 businesses, create 200 new jobs of which 120 were classed as 'better jobs' (paying more than the regional average wage), work with the Smart Specialisation working groups to support smart specialisation action plans and generate and manage referrals to members of the Growth Hub's Business Support Provider Network. It was targeted on diagnostic, signposting and action planning services for manufacturing businesses with growth potential and aspiration upwards of 20% employee or turnover growth per annum. The MGP contract operated between June 2016 and August 2017 until the externally evaluated learning with respect to targeted support for high growth manufacturing businesses was incorporated in to the Scaleup North East programme which went live in January 2018. Other aspects of the MGP linked to horizontal supply chain management and access to proximate sectors is to be taken forward through Supply Chain North East which will go live in October 2018.

Financial professional and business services

FPBS a target sector for Invest North East England

Invest North East England has targeted FPBS as one of its priority sectors to secure Inward Investments. Over the 2016/17 and 17/18 financial years, in the FPBS sector, 15 Foreign direct investment projects were secured delivering 1,932 jobs and 18 inward investments from elsewhere in the UK delivered 1,489 jobs.



Skills programme

Improving skills in the North East workforce is fundamental to our economic future, underpinning our aim of driving an uplift of 100,000 jobs by 2024, and ensuring that the majority are 'better' jobs. The changing structure of the economy requires an effective response from early years to Higher Education.

We want to see a mix of world class academic, technical and professional education, apprenticeships and higher level apprenticeships in all of the growing areas of our economy, ensuring that those entering the labour market have the right skills to thrive. We want our region's skills supply to underpin business growth and ensure talent is retained in the region. We are committed to making sure every young person can identify routes into work, supported through experience and exposure to the world of work and inspiration, we want them to understand that life and work experiences, alongside career and formal qualifications, are incredibly valuable. We also want to see a reduction in inactivity levels in our 50+ workforce, as skills investment enables older workers to remain in work. The skills programme for 2017 and 2018 is set out below.

The SEP set out that by 2018:

Progress to date

North East Ambition

Support every secondary school in the North East LEP's area that wishes to adopt the Gatsby Good Career Guidance Benchmarks.

90% of North East secondary schools and all nine general further education colleges are currently being supported to help them adopt the benchmarks. The remaining 10% are being encouraged to work with us. Support includes Regional Careers Leader Network meetings, with an average of 150 careers leads and secondary senior leaders attending, an audit and action planning toolkit, established specialist working groups for colleges, SEND and Destinations Data, LMI videos and adaptable resources. We have also built a searchable online director of careers provision.

Our work informed and has become a central part of Government's National Careers Strategy and updated Statutory Guidance, launched in December 2017. It is also central to the Careers and Enterprise Agency's new careers hubs approach, where it was announced in August 2018 that in addition to having a North East careers hub that will support 40 secondary schools, 10 colleges – including all nine FE colleges in the North East and one sixth form college, the North East will also have a national remit of supporting 21 hubs across England as a cornerstone hub.

The North East LEP strengthened the national position further by working with the Gatsby Foundation to create the microsite goodcareerguidance.org and to produce a Guidance Handbook - which was sent to every school in the country. These contain over 100 case studies of good practice. The Social Mobility Commission 'State of the Nation' Report 2017 recommended that all areas now follow the lead of the North East LEP saying that the region's careers provision had been transformed from the worst in the country to the best.

Partnership working is at the core of our skills programme, we worked closely with the Gatsby Foundation on the career Benchmarks Pilot and the subsequent roll out within the region and across the country. We work with the Careers and Enterprise Company on Enterprise Advisers and on the Career Hubs. We work with the North East Collaborative Outreach Programme (NECOP) and the North East Raising Aspiration Partnership (NERAP) for university engagement and with colleges and training organisations on apprenticeship provision. We have received significant support from the CBI (who chair our North East Ambition Advisory Board) and North East England Chamber of Commerce who are members. We have worked closely with Teach First and Schools North East in relation to the Careers Leader role in schools and have worked with each of the seven local authorities to ensure local support networks exist for schools and colleges.

Ensure that every secondary school in the area has at least one strategic Enterprise Adviser and is accessing the North East LEP's wider pool of Advisers or sector-specific focussed activities.

The North East LEP's Enterprise Advisers (EAs) programme matches senior volunteers from the world of business, with headteachers and leadership teams in schools and colleges. The goal is to make it easier for schools and colleges to connect with local employers by providing strategic counsel, developing career engagement plans and unlocking relationships with local businesses.

This work is ongoing and we currently have 121 senior business leaders signed up as strategic enterprise advisers (55% male, 45% female). 100 of these are matched with 100 individual schools and colleges. 75% of EAs are from Science, Technology, Engineering and Maths (STEM) related industries and a significant proportion are from SMEs.

In addition we have around 50 business leaders who have offered their support for sector specific or focussed activities. This has been well-received by schools and colleges and supports a broad range of career focussed activities, such as parent safaris and work experience.

An Enterprise Adviser training programme and network has been established to support them in their role. Partnership working with the Careers and Enterprise Agency and the CBI is crucial to the implementation of this programme and strong partnerships have been formed.

As the Careers Strategy is now statutory for schools and colleges and Enterprise Advisers play such a crucial role in supporting schools and colleges to achieve the benchmarks it is envisaged that all schools will have an Enterprise Adviser over the next 12 months.

Mentoring programmes – to ensure that 'all and every' student has access to the right type of guidance and support.

The Careers Strategy roll-out and the adoption of the benchmarks by all schools and colleges will ensure that every young person will have access to personal guidance. Over the last two years, mentoring programmes have been delivered by RTC North and Young Enterprise focussing on students at risk of disengaging or who may require additional support and motivation. Evaluation of the programmes is underway to determine which activity has been the most effective so that we can build mentoring, where appropriate, into wider personal guidance for each and every student.

In addition to mentoring programmes, the North East LEP's bi-weekly opportunities bulletin and online careers directory ensures that every school and college can navigate to sources of support and make the most of opportunities.

Develop and roll out a pilot benchmark programme for primary schools in the North East LEP area.

This primary benchmarks pilot builds on the success of our Good Career Guidance benchmark pilot in secondary schools. We know that young people begin to form their first aspirations aged three to four years old, by the age of six they are beginning to form opinions about what they can and can't do. By aged 10 young people are beginning to make career limiting decisions, which solidify by aged 14. The primary benchmarks programme will demonstrate to our young people the opportunities that are available to them and help them to realise that anything is possible.

The pilot has been fully developed and will begin rollout to 70 primary schools in the North East LEP area from January 2019.

Education challenge

Define and deliver an education challenge programme that supports teachers, schools, governors and leaders to ensure those entering the workforce in the future have the skill level to support the North East's diverse economy.

The Education Challenge outlined in the SEP is all about reducing the gap between our best and lowest performing schools and the ambitious aim that all students have the opportunity to be educated in good or outstanding schools. Working with a wide range of partners we have begun to explore ways to support school leaders, teachers and governors.

In September 2018, the North East LEP were selected by Ford, in partnership with the Edge Foundation, NECOP, CBI, City and Guilds and Ford Next Generation Learning to begin delivery of pilot based on an international best practice model. The Next Generation Learning pilot is focussing on embedding good school leadership, high quality teacher Continued Professional Development (CPD), rich employer engagement, early preparation for next stage, a focus on wider skills, a focus on student well-being, teaching and learning through applied learning, PBL and Oracy skills across the whole school. The pilot will be expanded to include more schools from early 2019.

Businesses from a variety of sectors and of varying size are working with the pilot schools to co-develop a wide range of curriculum driven projects. Early feedback demonstrates on completion of the projects, students have shown knowledge enhancement, improvement of skills and personal development. The North East LEP has supported teacher CPD to widen the positive impact of employer engagement beyond the pilot schools.



■ Complete
■ In delivery
■ Not yet commenced

Skills programme

“Excelling in technical and professional education”

Encourage more and higher level apprenticeship delivery and demand with a key sector focus.

We have seen an increase in uptake of higher level apprenticeships - comparing August 2017 to January 2018 apprenticeship starts with the same period a year earlier: Intermediate level down 7%, Advanced up 3% and Higher level up 4%. Higher level courses now up and running - Leadership and Management, Digital, Engineering, Energy, etc.

Through the Apprenticeship Growth Partnership we have continued to promote and raise an awareness of higher level apprenticeships. An apprenticeship toolkit was developed on the North East Growth Hub that was supported by a digital marketing campaign to drive traffic to the page. You can view the page at northeastgrowthhub.co.uk/toolkits/apprenticeship-toolkit/

The aim of the campaign was to promote to businesses the benefits of having an apprentice, with a focus on degree level apprenticeships and encourage businesses to get in touch with the .gov website link to find an apprentice. All content was developed around these aims. During the campaign 28% of visitors clicked to find out more about how to get an apprentice.

Promote higher skills and right skills through dialogue and development of opportunities with sector and business organisations based on accurate data and forecasts for the labour market.

Sector strategies have been developed with key sector groups, including smart specialisation and enabling sectors. In the North East, Durham Sixth Form Centre, Gateshead College, New College Durham and St Thomas More Catholic School (Gateshead) will be the first providers of the new T-levels. A 'Routes Ready' event was held with the Gatsby Foundation to engage all colleges in the preparation for T-levels. Colleges in the North East have been closely involved in consultation and piloting key elements of T-levels. The Principal of Gateshead College is part of a national group working with the FE Commissioner and Sunderland College have been involved in the industry placements pilot. As part of the Great Exhibition of the North the North East LEP secured the 'Technicians Make it Happen' campaign to base their roadshow at the Mining Institute. We have secured an Institute of Technology for the region.

Develop an approach to spousal support to facilitate the recruitment of people with high level skills into key roles.

This initiative has not yet been taken up by the North East LEP or its partners

Higher education

Support universities as 'anchor institutions' to increase their role in the development of the North East's economy and collaboratively work together in the following areas:

• Enterprise: Supporting spin outs and graduate start-ups, and the local business community more widely

The North East LEP is working with sector organisations to articulate demand for graduate level skills and with universities to consider future provision and opportunities. The North East LEP continues to work with the four universities in the region and Universities UK to provide strategic input into the development of their strategies. A meeting was held with the Office for Students (OfS), where the work of the North East LEP and the North East Collaborative Outreach Programme (NECOP) was identified as the example of good practice nationally.

Increasing the business base in the North East is hugely important for our economy. An understanding that self-employment is an option begins in our schools and continues into further and higher education, where there are many options to study 'Enterprise' as part of a course or an additional course.

Once out of formal education graduates can access spin out and new business support from local organisations. This is available through events, workshops, mentoring and finance and is often tailored to the age, stage or sector of the start-up business.

• Skills: Retaining graduate talent locally

The 'Live, Work and Stay' digital campaign was launched in November 2017 supporting universities and positioning the North East as a place with a wide range of career opportunities beyond graduation. Targeting students, graduates, universities and the North East business community, the campaign was based on case study content from graduates who have remained in the region and used organic and paid-for social media, e-communications, advertorial and close liaison with the region's universities to drive traffic to the written and film-based case studies on the campaign page, which demonstrate graduate careers in a range of sectors: <https://www.nelep.co.uk/live-work-and-stay/>

• Work with employers to address skills gaps and develop work experience opportunities

Our region's higher education institutions provide careers services for their under-graduate students and collectively we continue to work with the Universities Office for Students (OfS) to develop a pilot which will address the specific needs of more disadvantaged students in attaining high quality graduate roles. More broadly, most higher education institutes have opportunities for under-graduates to take part in work placements through faculties or work placement fairs and support students with CV and application preparation. We encourage businesses and employers to offer work experience and placement opportunities for under-graduates.

• Knowledge economies: Latest thinking on Knowledge Transfer Partnerships (KTP) and smart specialisation.

There are a number of great examples where KTPs have been beneficial for North East businesses. KTPs address core strategic needs by identifying innovative solutions. We would encourage businesses to continue to partner with the Universities in this way in order to drive productivity and increase growth within their organisation.

50+ Workforce – retrain, regain, retain

Develop and implement a 50+ workforce strategy in partnership with key stakeholders. This part of the strategy will focus on regaining and retraining this cohort within the workforce.

A task and finish group was introduced to develop this strategy, with representation from the North East LEP, CBI, the Department for Work and Pensions, Job Centre Plus, Education Development Trust, the Business and Innovation Centre, Higher Education and voluntary sector.

The strategy was launched in September 2016 at an event that welcomed more than 70 businesses from across the region. In addition to the input from the partners, a survey of employers in the North East LEP area and comments from this survey were integrated into the strategy.

An action of the strategy was to deliver a pilot that focused on demonstrating best practice examples around retaining, retraining and the 50+ workforce and the importance of Mid-Life Career Reviews, evaluation of the pilot is currently underway to inform future activities.

A toolkit was developed on the North East Growth Hub that aimed to highlight the importance of this agenda to businesses in the North East and provide solutions and signposting for more information. For example, an article giving retraining insight from Sunderland Software City was the most popular piece of content within the toolkit with 75 page views and an avg. 03:35 minutes spent reading it. We will continue to use this as a place to publish real business stories and resources.

Focus on workforce skills for older workers to maintain their position in the labour market as skills needs change.

Work is currently underway to promote the uptake of digital skills and to use case studies of 50+ apprenticeships to promote this as an alternative way to 'retrain' and 'regain' core skills needed by businesses today.

In addition to the skills programme activities, there were also eight skills capital projects developed and delivered using Local Growth Funding. These are

Project	LEP Investment	Current Status
STEM Specialist Centre, Northumberland	£2,250,000	Completed September 2017
Beacon of Light, World of Work, Sunderland	£1,792,997	Completed September 2018
Eagles Community Arena, Newcastle	£1,100,000	Completed December 2018
Metro training and maintenance skills centre, South Tyneside	£7,000,000	Under construction, due to be completed September 2019



Employability and inclusion programme

Our vision is to create a fully integrated employment, skills and health system tailored to the specific needs of the area, with the primary aim of improving the number of residents moving from benefit dependency into work. Supporting health at work is also incredibly important to us. The employability and inclusion programme for 2017 and 2018 is set out below.

The SEP set out that by 2018:

Progress to date

Fit and well for work

Support primary care professionals in helping people access the best support to get them back to work as quickly as possible.

The Department for Work and Pensions (DWP) opt in programme is using £6 million European Social Funding (ESF) to test a local approach to support 2,500 long term unemployed residents with health conditions to find work over 2017 to 19.

Use initiatives such as the Mental Health Trailblazer to demonstrate the benefits of providing more joined-up support to individuals with moderate mental health problems to return to work. Thereby influence the commissioning of Improving Access to Psychological Therapies services as well as seeking to improve the service offer for those with more complex mental health problems.

The Mental Health Trailblazer is one of four national pilots designed to improve job outcome rates for unemployed people with mental health conditions.

It will implement the Individual Placement and Support (IPS) model of intensive employment support co-ordinated with psychological therapy, in partnership with Increasing Access to Psychological Therapies (IAPT) services commissioned by Clinical Commissioning Groups (CCGs). The aim is to test the IPS model on a large enough scale to provide robust evidence using a Random Control Trial (RCT) to inform government investment in mental health services.

The pilots are being overseen by the Department for Work and Pensions, Department for Health Work and Health Unit, Ministry of Housing, Communities and Local Government's investment is being matched by European Social Funds to total £2.2m for a two year programme with an aim to support 1,500 participants across the North East LEP area by the end of the programme.

From January 2017 to October 2018, the programme had 838 participants in the treatment group and 255 in the control group.

177 people on the programme were in employment by the end of October 2018, 54% of which were male and 46% female. One third of these people had been unemployed for two years or more. 20% of the participants were aged over 50 and 13% between 18 to 24.

Participant feedback shows consistently high levels of satisfaction with the service, in particular the degree of confidence and trust of employment coaches.

An evaluation will be available in early 2019 and will be used to provide evidence of activities of supporting more people with mental health conditions into the mainstream labour market.

This is pertinent for both local and national policy and the ambition is to use this to improve future commissioning and future service integration by the commissioning of Improving Access to Psychological Therapies (IAPT) services as well as seeking to improve the service offer for those with more complex mental health problems.

Work with employers to maximise their take-up of the Better at Health Work Award scheme thereby creating healthier workplaces.

Since 2016, we have observed a significant increase in the number of businesses, sector representatives and membership organisations championing the healthier work place agenda.

We have seen improved engagement in accreditations of initiatives such as Better Health at Work and have seen commitments from senior leaders to improve healthier working practices for employees. For example, The Chamber of Commerce president has chosen to mental health as one of the areas he wishes to highlight during his tenure and the CBI have published Front of Mind good practice guidance to help employers improve health and wellbeing in their workplace, focussing on people's mental health and the effect of the UK's ageing society on workplaces has increased over the past five years.

Continue to address the importance of in-work progression and job quality, including consideration of the characteristics of 'good work'.

This work is ongoing but an example of this is working with customer focussed organisations to consider labour retention, contracts and progression opportunities. The organisations involved in the working group have been extremely responsive.

Youth employment

Create and scaleup initiatives that adopt innovative and agile approaches to meeting local needs. This will build on the Generation NE model which has validated the North East LEP's belief that locally designed approaches to our key employment challenges are critical to our success. We will support at least a further 2,000 young people and open up new digital support offer to a wider range of young people including those unemployed but not claiming benefits.

Generation North East is a Cabinet Office funded employment support programme that has been supporting young people aged 16 to 29 into jobs, apprenticeships, traineeships, work experience and further training since the project started in 2014.

It works closely with local businesses and provides bespoke, simplified recruitment support with the aim to place registered young people into fantastic opportunities across the region with a variety of employers.

Since 2014 the programme has supported 4,600 young people, delivering 2,050 job outcomes. 1,200 of those gaining employment have now sustained employment for six months or more. The project has exceeded all original targets and continues to perform well.

In 2016 a digital service has been launched to complement the support available through Generation NE on a face to face basis.

This service is testing innovative approaches to engaging and supporting young people that accommodates their changing attitudes, particularly a desire to engage with services in non-traditional ways. 368 young people have been supported by the Generation NE digital service so far with 47% of them moving into work to date, an additional 30 young people on average are engaged with the service each month.

A full randomised control trial of digital services within Generation NE is being explored with the Government's What Works Centre for Local Economic Growth.

Deliver Durham Works, a youth employment initiative sponsored by European Funding, which aims to address gaps in provision for young people in that area where the level of Not in Employment, Education, Training (NEET) or risk of becoming NEET is more acute.

DurhamWorks is a partnership project between Durham County Council and nine organisations working together to support young people who are not in education, employment or training.

They provide information, support and guidance to help young people find job, training and apprenticeship opportunities that are right for them.

£12.8m of ESF and Youth Employment Initiative Funding was secured to support over 5,800 young people back onto the pathway to employment or education.



■ Complete
■ In delivery
■ Not yet commenced

Employability and inclusion programme

<p>Ensure that young people have access to the support and skills required to progress in employment.</p>	<p>£40m of ESF has been granted to providers across the North East LEP area to support local people into employment and to develop the skills of our workforce.</p> <p>Over £43m European Funding has been committed to deliver training and support to individuals seeking employability skills and routes into employment.</p> <p>Newcastle College Group secured £2.8m from the Skills Funding Agency to support over 1,300 young people aged 15-19 who are either NEET or at risk of becoming NEET to move into work or education.</p> <p>Up to October 2018, there have been over 1,400 learner starts.</p> <p>Northumberland College secured £6.7m from the Education and Skills Funding Agency to deliver support for over 600 SMEs to develop collaborative projects, placements and internships to enable students and graduates to gain industry-relevant experience and skills, to meet current and future employment demands and support them to become job ready. Businesses are able to work directly with education providers, to ensure the skills offer is adapted to meet the needs of the business and to raise awareness of job opportunities.</p> <p>In late 2017 an ESF open call was launched for a pilot project that brings together educators, businesses and local communities to transform the interaction between education and employers. Appraisal of applications is still underway with the announcement of successful projects expected in early 2019.</p> <p>There was also an ESF open call in late 2017 to address the digital skills challenges and opportunities in the North East LEP area. This included supporting the development of digital skills for digital jobs and also activity to support wider digital skills development across industries. Appraisal of applications is still underway with announcements about successful projects expected in early 2019.</p>
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50+ workforce - retrain, regain, retain

<p>Develop and implement a 50+ workforce strategy in partnership with key stakeholders. This part of the strategy will focus on regaining this cohort into the labour force.</p>	<p>A number of ESF programmes have older residents as one of their target groups.</p> <p>Gateshead College and New College Durham secured a combined total of £20m from the Education and Skills Funding Agency to develop the skills of over 11,000 individuals in employment.</p> <p>Activities cover support for individuals at risk or who have recently been made redundant to support them in overcoming barriers to job progression or sustainment; the delivery of intermediate and higher level skills provision; and support to develop entrepreneurial skills to start and grow a business.</p> <p>Additionally to date, within the four Building Better Opportunities (BBO) projects there have been 908 participants from 50+ cohort which is a significant proportion and evidences the requirement for this focus.</p>
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Active inclusion

<p>Build the capacity of the voluntary and community sector and social enterprises to support those individuals and communities who are excluded from work</p>	<p>The voluntary and community sector is extremely active in the North East and there are a number of exemplar and high profile not for profit organisations. All these organisations work across a wide range of geographies across the region supporting vulnerable and disadvantaged individuals, families and communities. A number of the projects below were delivered by VCSEs and it is vital that we have such a strong and vibrant third sector.</p>
<p>Provide targeted support to those with protected characteristics</p>	<p>In 2017 an ESF open call with approximately £8m of funding available covering the whole of the LEP area was launched to fund projects focussed on specialist, well targeted and integrated support to those with multiple barriers and complex needs. The call focussed on three areas, employment support for those with protected characteristics, employment support for workless housing tenants and employment support for offenders and ex-offenders.</p>
<p>Seek to address long-term imbalance within the workplace and key sectors that relate to gender, discrimination and disadvantage</p>	<p>In 2017 an ESF open call with approximately £5m of funding available covering the whole of the LEP area was launched to fund a project to ensure that care operators can provide a high standard of training and retain staff. The aim of the project is to promote-in work progression and should incorporate specialist training for employees in mental health, learning disabilities and older peoples services</p>
<p>Adopt a community-led local development approach within the LEP's communities suffering from significant and entrenched deprivation.</p>	<p>Building Better Opportunities (BBO) is a programme delivered by the Big Lottery Fund and funded via ESF, launched in early June 2015. There were four projects in the North East LEP area awarded around £18.5m to support over 4,500 individuals furthest away from the labour market. By October 2018 there were 3,271 participants across the four projects, of which 1,095 are NEET, 908 are from 50+ cohort.</p> <p>Additionally Gateshead Council secured £2m to deliver small scale community grants which have been accessed by organisations to aid people within local communities back on the pathway to employment. Expressions of Interest were received from 435 VCSEs, 75 grant awards to 69 organisations aiming to provide learning to unemployed residents. By October 2018 there were 2,039 learner starts.</p>



- Complete
- In delivery
- Not yet commenced

Economic assets and infrastructure programme

Creating 100,000 jobs will require significant development in the North East to enable the supply of land and critical infrastructure needed. This will support the development of our key industrial strengths and clusters, accommodate the changing structure of the economy, foster innovation and deliver the housing required for our changing population. Our aim is to invest in attractive, inclusive and sustainable living and progressively moving to a low carbon environment. The economic assets and infrastructure programme for 2017 and 2018 is set out below.

The SEP set out that by 2018:	Progress to date
<p>Local plans which support securing investment North East economic ambitions</p>	
<p>Each of the North East LEP's local authorities will have adopted local plans that are complementary and that dovetail with the aspirations and objective of the SEP. A number of these are already in place and others are well advanced.</p>	<p>Local authorities are progressing through the stages of plan preparation. Local plans adopted to date include the Newcastle and Gateshead Core Strategy and Urban core plan 2010 to 2030 and the North Tyneside local plan 2017 to 2032. The local plans for Durham, Northumberland, South Tyneside and Sunderland are all in development and aim to be adopted during 2019/20.</p>
<p>Securing investment</p>	
<p>Develop a robust pipeline of sites for business development and housing that will be maintained between local authorities and the HCA to provide opportunities for private investment or to secure public resources. Schemes will be developed to ensure that resources can be brought to bear to accelerate development</p>	<p>An updated North East strategic investment pipeline in the context of the updated 2019 Strategic Economic Plan, is planned for 2019. Several strategic employment sites have moved from pipeline to programme funded status. These include the Enterprise Zone sites at Follingsby, Gateshead, Bates, Port of Blyth, Port of Sunderland, Holborm Enterprise Park, South Tyneside, Jade Business Park, County Durham.</p> <p>Two strategic housing schemes were selected by Homes England at Murton, North Tyneside and Sunderland South Strategic Growth Area for Housing Investment Fund support with businesses cases currently in development.</p>
<p>Continue to deliver our phase one Enterprise Zone (EZ) programme, bringing phase two sites into development from April 2017, and progress a range of other key sites around the region.</p>	<p>Work is ongoing to develop all 21 EZ sites with detailed business cases for funding of interventions being prepared and considered by the North East LEP's Investment Board and LEP Board. The EZ financial model has been updated and continuously refined to feed into the investment model. An overarching legal agreement is complete between the seven local authorities which sets out the financial model and the investment risks at the period of the EZ sites.</p> <p>Examples of EZ progress include:</p> <ul style="list-style-type: none"> • International Advanced Manufacturing Park (IAMP): Over £100m, has been secured to deliver the IAMP Phase one is on site. It will provide a high quality, attractive location for advanced manufacturing and supply chain industries including land for the development of buildings totalling up to 260,000 sq.m on a 100 hectare site, creating over 5,200 new jobs by 2024. The first manufacturing unit for SNOB UK is now under construction. • Advanced Manufacturing Science Park: There is outline provision for a science park within the plan for the IAMP. Improving productivity within North East businesses and further embedding advanced manufacturing capability into the UK. The Centre for Sustainable Advanced Manufacturing is central support these objectives and if funding is secured, will be housed on the IAMP. <p>To date, over 1356 jobs have been created on EZ sites, with a further 2509 expected by 2024. 67,751sqm floor space has also been delivered, with a further 135,910sqm forecast by 2024.</p>
<p>Collaborative development of a spatial planning framework for the North East, supporting the SEP</p>	
<p>The seven local planning authorities will publish a North East Planning Development Framework that will set out the inter-relationship between key strategic developments across the North East. This will not only illustrate the North East LEP's collaborative approach to spatial planning but it will also ensure that the North East LEP's individual local plans are fully reflective and supportive of the broader regional context set out in this Strategic Economic Plan. By establishing this framework for enabling the planning and delivery of both commercial and housing development, the North East LEP will ensure that a truly place based approach is adopted. This will re-inforce the principles of investing in the necessary infrastructure and assets to promote economic growth alongside the enhancement of the natural environment</p>	<p>Work was undertaken by the seven local authorities' Heads of Planning on developing a North East Planning Development Framework, however, the decision to move to a Regional Statement of Common Ground is being considered as it could be a better approach moving forward. This would ensure the seven local authorities comply with the emerging changes to the national planning framework. This work is ongoing.</p>
<p>Working with partners from business and environmental organisations we will explore a collaborative approach to strategic mitigation. This can deliver the mitigation hierarchy set out in the National Planning Policy Framework to support development planning and accelerate delivery of both commercial and housing development, while protecting and supporting improvement of our environment.</p>	<p>Work on the collaborative approach on strategic mitigation has not progressed very far. The seven local authority Heads of Planning have decided that this should be included in the Regional Statement of Common Ground that they are collectively working on, as set out above.</p>



■ Complete
■ In delivery
■ Not yet commenced

Economic assets and infrastructure programme

In addition to the activities set out above, the Economic Assets and Infrastructure Programme has been complemented by an investment programme. See summary below:

Project name	Project description	LEP Funding source(s)	LEP Funding allocated	Total project value	Status
Infrastructure for Forrest Park	Building of new electrical substation and highway, including new junction on A167 to allow traffic flow into new development site in County Durham	LGF	£13,000,000	£14,667,062	Completed
North East Rural Growth Network	Rural focussed investment programme consisting of Strategic Infrastructure scheme and Rural Business Growth Fund.	LGF	£6,000,000	£31,380,000	In delivery
Swans site infrastructure	A comprehensive investment programme covering various site preparatory and infrastructure works on the former Swan Hunters site	LGF	£8,000,000	tbc	In development
Sunderland Central Business District - Vaux site	Infrastructure to enable the first phase of the development of the former Vaux brewery site in Sunderland city centre	LGF	£10,800,000	£25,412,656	Construction underway
River Tyne Economic Development	Activity to support the ongoing development of the River Tyne through measures to mitigate environmental impacts of historic industrial activity.	LGF	£5,316,835	£9,302,139	Construction underway
East Sleekburn site reclamation and dock works	Investigative, remedial and site preparation works for Enterprise Zone site in Northumberland	LGF and NEIF	£5,040,736	£24,800,234	Construction underway
Auckland Castle Welcome enabling works	Realigning the highway, diverting public utilities and enhancing the public realm between Bishop Auckland Market Place and Auckland Castle.	LGF	£2,163,848	£4,763,848	Completed
Intersect 19, Tyne Tunnel Trading Estate	A new build high-quality 58,000sqft industrial space at Intersect 19 on the Tyne Tunnel Trading Estate in North Tyneside. Building occupied by Pryme Group Ltd.	LGF	£1,359,322	£4,616,707	Completed
Monkton Business Park South - Infinity Park	Speculative build of industrial units that range from 10,577sqft up to 31,524sqft. Two out of three units occupied.	LGF and NEIF	£2,960,999	£4,236,664	Completed
Durham City Incubator - Salvus House	Refurbished office building at Akyley Heads providing 28,000sqft of managed office and incubation space	LGF	£1,250,000	£3,919,500	Completed
International Advanced Manufacturing Park (IAMP)	150 hectare development site to the north of Nissan UK, adjacent to the A19 trunk road, IAMP will become a hub for automotive, advanced manufacturing and technology businesses	LGF & EZ	£74,911,943	£114,790,544	Construction underway
Gateshead Quays	Development of conference and exhibition centre on Gateshead Quays	LGF	£5,000,000	£229,875,115	Design phase
Integra 61	Infrastructure works and offsite access and highway capacity improvements on the nearby Junction 61 on the A1M	LGF	£1,499,537	£13,117,115	Construction underway
East Pilgrim Street	Public realm improvements and site preparation works to enable new office space development	LGF	£4,309,000	£6,199,000	Design phase
Scale up North East & Supply Chain North East	Grant investment element of mini-programme to support companies that are, or have the potential to scaleup.	LGF	£1,500,000	£11,757,573	In delivery
Jade Business Park	Enabling works to facilitate the development of Jade Enterprise Zone, including highway access improvements and utility infrastructure	EZ	£4,439,549	£4,665,366	Construction underway
Follingsby Park	Delivery of site enabling works to unlock the development of the 37.2 hectare Follingsby South site for employment use	EZ	£12,423,428	£12,423,428	Construction underway
The Common Room for the Great North	Restoration and refurbishment of the Mining Institute and the regeneration of its importance as a regional focus for the economic and social development	NEIF	£1,500,000	£7,112,000	Construction underway
Port of Sunderland Enterprise Zone	Site remediation and infrastructure works at the Port of Sunderland Enterprise Zone including infrastructure at Hendon Sidings and East Shore	EZ	£8,201,697	£8,201,697	Construction underway
Holborn Enterprise Zone	Support the reclamation of 4.7ha of former heavy industrial land in South Shields to provide a development platform for Grade A office accommodation	EZ	£9,400,000	£9,400,000	Design phase
Ashwood Business Park	Infrastructure works at Enterprise Zone site including traffic improvement intervention, electrical substation upgrade and improvements to drainage and utilities	EZ	£2,576,426	£2,713,926	Design phase
North East Property Fund	£10 million property fund aimed at supporting smaller scale North East housing and commercial property development projects	NEIF	£5,000,000	£10,000,000	In delivery
Bates, Blyth estuary	Site reclamation, internal highway construction and utilities infrastructure works	LGF	£2,800,000	£15,250,000	Approved



■	Complete
■	In delivery
■	Not yet commenced

Transport connectivity programme

Our vision for North East transport is to provide affordable, attractive, reliable, safe, healthy transport choices for businesses, residents and visitors. This approach will help our economy grow and make the North East an excellent place to live, learn and work, while protecting our environment. The transport connectivity programme for 2017 and 2018 is set out below.

The SEP set out that by 2018:

Progress to date

Regional transport planning

Have an agreed Regional Transport Plan, setting the North East LEP's strategic direction for the next 20 years.

Work is progressing on the emerging Regional Transport Plan. It is expected that the overall vision, goals and themes of the Plan will mirror those of the Transport Manifesto published in 2016 which set out the North East's aspirations for transport for the next 20 years. The Regional Transport Plan will be considered by the North East Joint Transport Committee in 2019.

Strengthen the alignment between transport and the planning process to ensure everyone is always working together.

The North East Combined Authority (NECA) transport team has reviewed the scoping study into a North East Planning Framework and has begun discussions with the seven local authorities around suitable integration with the emerging Regional Transport Plan. The regional transport team has also participated in round table discussions and influenced the debate around the link between planning and transport at a Transport for the North level.

Explore the opportunities presented to us in new legislation such as the Bus Services Bill and increasing flexibility around innovative technologies.

A new bus strategy for the North East that will set the scene for how to make best use of provisions in the Bus Services Act is being prepared. Nexus is engaging with the transport innovation market to understand what innovations are currently available, how those innovations can deliver our regional objectives and how they can be funded.

Have identified programmes of transport investment, both large and small, which will help enhance our economy and society.

The North East Combined Authority (NECA) has worked with transport officers from Nexus and the seven local authorities to develop a programme of future transport schemes. This process is ongoing. The transport elements of the Local Growth Fund programme continue to be successfully delivered.

The NECA has successfully obtained £33.76 million in funding from national competitions since 2017. The funding breakdown is as follows and the projects are being developed and delivered.

Organisation	Funding
National Productivity Investment Fund	£18.46 million
European Regional Development Fund Go Ultra Low project	£1.5 million
Clean Bus Technology Fund	£3.8 million
Highways Maintenance Challenge Fund tranche 2	£10 million

Identify opportunities for improved freight infrastructure in the region, including potential interchanges.

As part of their ongoing air quality options development work, Newcastle, Gateshead and North Tyneside Councils are exploring a range of options to reduce the environmental impact of freight movement, including the potential for consolidation centres, the use of delivery and servicing plans and the expansion of the Fleet Operators Recognition Scheme programme that is currently promoted in this region by the North East Freight Partnership. Nexus continues to work pro-actively with the Freight Partnership to promote safe, sustainable and efficient freight movement and to address issues and concerns affecting the logistics sector within the region.

The freight transport sector has long identified the need for lorry parking as a crucial element of freight infrastructure, and NECA has consistently made a strong case for more safe, secure lorry parking. It has now been agreed that Transport for the North (TfN) will undertake a study into lorry parking provision across Northern England in order to tackle this issue.

In terms of wider freight transport provision, NECA is working with DfT, TfN and Network Rail to press for increased capacity on the East Coast Main Line, which would benefit freight as well as passenger services, and with TfN and Highways England on improvements to the highway network again for the benefit of freight as well as other traffic.

Transport innovation

Commission our 'Go Ultra Low Cities' programme, building two rapid charging stations for electric vehicles in Helix, Newcastle and at Sunderland and developing on our world leading low emission vehicle expertise.

The NECA has awarded a tender for the design and build of an Electric Vehicle filling station in Sunderland and six rapid charging hubs and delivery is in progress. A second Electric Vehicle filling station, owned by Newcastle University, will be installed at Newcastle Helix.



■ Complete
■ In delivery
■ Not yet commenced

Transport connectivity programme

North East transport delivery

Deliver schemes through the Local Growth Fund (LGF) to enhance our network and improve reliability.

The delivery of the LGF transport programme is currently underway and six projects have reached completion. The status of the LGF transport projects is shown in the table below.

Programme	Total project cost	LGF allocation	Lead organisation	Status
Lindisfarne Roundabout	7,560,000	6,105,000	South Tyneside Council	Completed
Central Metro Refurbishment	6,040,000	2,500,000	Nexus	Completed
Northern Access Corridor Phase 2 – Cowgate to Osborne Road (stage 1)	3,680,000	3,680,000	Newcastle City Council	Completed
Northern Access Corridors – phases 2 and 3	22,545,000	4,835,000	Newcastle City Council	Approved
Local Sustainable Transport Fund programme	9,620,000	7,500,000	Various	Completed
A19 Employment Corridor access improvements	5,110,000	4,700,000	North Tyneside Council	Completed
A191 junctions (Coach Lane and Tyne View Park)	1,699,000	1,499,000	North Tyneside Council	Completed
Newcastle Central Gateway Stage 1		695,000	Newcastle City Council (0.695 awarded to stage 1 of scheme which is now complete)	In delivery
A1056-A189 Weetslade Roundabout improvements and A1-A19 link	4,800,000	4,330,000	North Tyneside Council	Approved
Scotswood Bridgehead (stage 1)	544,000	414,000	Newcastle City Council	Funding received. Scheme withdrawn
South Shields Transport Interchange	20,740,000	9,400,000	South Tyneside Council	Approved
Sunderland Low Carbon Zone	12,950,000	5,950,000	Sunderland City Council	Completed
A1058 Coast Road	7,200,000	6,520,000	North Tyneside Council	Completed
Horden Rail Station	10,550,000	3,340,000	Durham County Council	Approved
Traffic movements along A185/A194/A19 (The Arches)	8,100,000	7,000,000	South Tyneside Council	Approved
South Shields Metro Training and Maintenance Skills Centre	9,460,000	7,000,000	Nexus	Approved
Blyth Cowpen Road	740,000	600,000	Northumberland County Council	Completed
A19 North Bank of the Tyne (Swans site)	4,700,000	4,700,000	North Tyneside Council	Approved
Jade Business Park (including A19/A189 Seaham Murton interchange)	10,610,000	3,300,000	Durham County Council	Approved

Continue rolling out flexible ticketing across modes, ensuring the North East's public transport system is better integrated.

The roll out of the Pop smart card across the region is continuing. Pop Pay As You Go cards are now accepted by all bus companies across the North East LEP area and the total number of bus tickets purchased with them has risen to nearly 109,000 doubling in volume annually. Since April 2017 over £6.45 million Metro trips were made with Pop Pay As You Go and smart season tickets cards. The NESTI project is coming to its completion in Jan 2019, its final delivery being HOST Card Emulation that is about making a mobile phone work like a Pop card which is scheduled to go live in by the end of March 2019. The region is participating in a TfN project to roll out contactless payments across the North to integrate local journeys with inter-regional rail journeys.

Continue to work on joint management of the North East's transport system, including the local rail network.

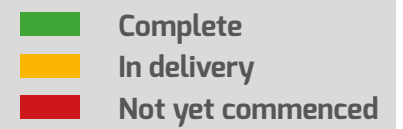
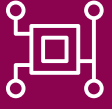
All North East local authorities along with Tees Valley, North Yorkshire and Cumbria are in cooperation with the train operating companies, Network Rail and TfN.

Develop and expand our successful Urban Traffic Management and Control Centre to reduce congestion and enhance growth.

Nexus has expanded the Automatic Number Plate Recognition network and installed additional CCTV cameras to monitor journey times and therefore tackle congestion, which is one of the biggest challenges on our road networks today. The region successfully bid for £2.8 million funding through the National Productivity Investment Fund to develop our Urban Traffic Management Centre systems.

Place

Passenger services on Blyth-Ashington line	The aim of the project is to improve accessibility to employment from South East Northumberland. The Network Rail GRIP 2 process has been completed and a cost challenge and review of scheme scope is being undertaken. Regarding funding, £20m has been allocated in the Northumberland County Council medium term financial plan and a model is being developed to capture land value uplift in order to secure private sector investment. A phasing plan is being developed with the aim of accelerating delivery.
Preparation for HS2 on the East Coast Main Line	The ECML north of York needs to be ready for HS2 trains by 2033. NECA has supported the formation of the ECML All Party Parliamentary Group and taken on the secretariat of the East Coast Main Line Authorities (ECMA) Consortium. Both of these lobby for investment in the line, including to make it HS2 ready. We have responded to recent Network Rail East Coast Route Study and DfT Cross Country franchise consultations, emphasising the need to make the ECML HS2 ready. We are also working with Transport for the North on a Strategic Outline Business Case for Northern Powerhouse Rail.



Digital connectivity programme

Our aim is to deliver first class first class digital infrastructure that is forward focused. We want to ensure improved digital connectivity across the North of England and the rest of the UK and with key European and international markets. The digital connectivity programme for 2017 and 2018 is set out below.

The SEP set out that by 2018:	Progress to date
Continue to map and influence the delivery of superfast broadband coverage in the region with the target to see 99% connectivity.	The North East is currently at 97% (except in Northumberland which is at 92.7%), with strengthened broadband and fibre connectivity. Challenges remain in ensuring full fibre is installed in new developments.
Explored the potential to strengthen fibre optic connectivity to northern Europe.	Significant work is being undertaken to strengthen the fibre connectivity of the North East to Northern Europe. In January 2018, Aqua Comms announced its intention to conclude a new cable route to Denmark through the UK connecting Dublin and Manchester. The project will include a North Sea Connect cable that will link Stellium's data centre on Cobalt in North Tyneside to Esbjerg. The upcoming installation of the 700km Aquacomms subsea cable between Newcastle and Esbjerg in Denmark will provide direct connectivity access into Northern Europe and beyond, without routing via London, and provide resilience for an alternative route to North America via the Havfrue/AEC-2 and Norway. The other cable systems at varying stages of development include Blackpool (CeltixConnect-2) to Dublin, Anglesey (CeltixConnect) to Dublin and via Lencanvey (Havfrue/AEC-2) to Wall Township in New Jersey. Also the Norwegian government is planning to install a new open access subsea cable (Englandcable) which will further enhance Newcastle's connectivity offering into Scandinavia.
Have developed and begun delivery of a strategic 5G test bed programme with the national 5G testbed programme with the national 5G innovation centre at the University of Surrey and the digital catapult	<p>Development of 5G</p> <p>A small team, known as 5GNE, was put in place to develop a business case to exploit the opportunities that 5G technology would bring to the region.</p> <p>The 5GNE team bid for the national Urban Connected Communities project funding, but came second to the West Midlands. The 5GNE team continue to develop a proposition.</p>

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