

Cabinet	<b>FP/809/03/12</b>
Date: 24 April 2012	

## **The South East Local Enterprise Partnership and the Growing Places Fund**

Report by Cllr Peter Martin, Leader of the Council

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Enquiries to Simon Neilson, Assistant Director Policy and Strategy - Place

### **Purpose of report**

- This report sets out the background to the creation of the South East Local Enterprise Partnership (SELEP or LEP), its legal structure and overall objective. The report describes the government's Growing Places fund and what the Government's aspirations are for that fund. The report then seeks Cabinet approval for ECC to assume responsibility as the Accountable Body for the Growing Places Fund which has been transferred to the LEP by central government. The report describes the grant making process which has been adopted by the LEP and seeks authority for ECC, as Accountable Body, to enter into various legal agreements with the recipients of the grant funding once they are approved by the LEP board.

### **Decision Areas and Recommendations**

1. Note the legal structure and objectives of the LEP, as set out in this report, and the grant making process that has been adopted by the Board of the LEP.
2. Agree that ECC should assume responsibility as the Accountable Body for the Growing Places Fund which has been transferred to the LEP.
3. Authorise the Assistant Chief Executive to formally approve loan applications recommended by the board of the LEP and to enter into appropriate legal agreements on behalf of ECC with the recipients of the grant funding once they are approved by the LEP board.

## **Background, context, and area of the County affected**

- 1.1 Local Enterprise Partnerships are partnerships of local authorities and businesses formed to help drive sustainable local economic growth and create the conditions for business growth in its local area(s). The South East LEP, which spans Essex, Kent and East Sussex, has made significant progress over the past 18 months, and has been heavily supported by ECC in achieving its status as perhaps the most important – and most improved - LEP in the country. Two Government departments - Department for Communities and Local Government (CLG) and Department for Business Innovation and Skills (BIS) have been very complimentary about the LEP and we have, so far, used the Growing Places Fund as an opportunity to demonstrate how a streamlined LEP can respond quickly and effectively to Government stimuli.
- 1.2 While some LEPs have established themselves as legal entities – and some as companies limited by guarantee – the South East LEP exists as an informal partnership with no separate corporate legal identity. Its operation and administration has been provided by ECC with the full approval of the Board. This has proven successful to date; the South East LEP's management of the Growing Places Fund to date is the perhaps the best example of a LEP working quickly and effectively with another authority as Accountable Body. Given the prominent status this affords ECC, and the likelihood of the extension of these arrangements in the future, we need to adopt a clear position on our role as Accountable Body for this and other LEP-related funding streams or activities.
- 1.3 Some highlights of the LEP's general progress to date:
  - Enjoyed early success with designation of two Enterprise Zones – in Sandwich and in Harlow
  - Appointed a private sector Chair and three private sector vice-chairs, ensuring that the LEP represents the voice of business
  - Developed a vision and mission statement in the Summer of 2010, which achieved ministerial endorsement in December
  - Launched [www.southeastlep.com](http://www.southeastlep.com) in December 2011
  - Continuation of workstream activity across a clearly defined spectrum reflecting the vision statement. Involvement from businesses and local authorities across the area
  - Achieving a sharpening focus on matters of strategic prominence, such as lobbying Government on transport matters; and on supporting growth and enterprise
  - Success of ECC's maintenance of a streamlined secretariat with no dedicated full time resource. Agreement across the upper tiers on the financing of a modestly resourced permanent team into the future, to be hosted by ECC.
- 1.4 *Growing Places Fund*

On announcing the Growing Places Fund late last year, the Government invited the LEPs to submit PQQs in advance of making decisions on the allocation of funding. SELEP's has been held up as a best practice example in how to

ensure good governance of the fund. It is attached as appendix 1 at the bottom of this report.

- 1.5 In two separate tranches, the South East LEP has been awarded **£49,210,053** (£33,226,094 in January, then £15,983,959 in March) of Growing Places Fund – a fund which should be directed at those schemes capable of unlocking opportunities for new homes and increased job growth.
- 1.6 The Board agreed at its meeting on 7th December 2011 that the LEP should lead on the allocation of funds and appoint Essex County Council as Accountable Body.
- 1.7 A PQQ was submitted to government in December 2011 outlining how SELEP intended to use the funding, the basis for investment decisions and the governance and management arrangements for the fund. An initial ‘call for proposals’ was invited in January 2012 resulting in 30 proposals having a total loan value of £96 million. Projects were seeking financial support for a wide range of infrastructure including; road junctions; road improvements; station improvements; employment space, utilities; land raising/preparatory works; rapid transit; and park and ride.
- 1.8 At its meeting on 10<sup>th</sup> February, the Executive Group of the LEP instructed that further work should be undertaken with 21 projects assessed to most closely meet the GPF assessment criteria. A ‘Project Pack’ was issued seeking more detailed information with a particular focus on details of the repayment mechanism; timescales for project delivery; and arrangements for underwriting/guaranteeing repayments. A total of 16 Project Packs were returned by the due date, 9th March. Of these, 12 ‘preferred’ projects were assessed as being suitable for taking forward with 3 others remaining as ‘reserve’ projects and one assessed as being premature.
- 1.9 On the 23<sup>rd</sup> March, the LEP’s Full Board agreed that the 12 preferred projects should progress to a final stage of appraisal, and were happy to delegate further decisions to the Executive Group. The contracting relationship will be between Essex County Council as the Accountable Body and the upper tier local authority which hosts the scheme.
- 1.10 The approach proposed for the South East GPF draws on experience from other similar revolving funds which have been designed to provide forward finance for infrastructure. It is based on the following set of operating principles:
  - Primary Loan Agreements will be entered into between Essex County Council, the ‘Lender’ and the applicant authority, the ‘Borrower’ (County or Unitary authorities).
  - Our preference is to enter into Primary Loan Agreements with upper tier authorities or unitary authorities. However we recognise there may be occasions where this is not possible in which case it may entertain entering into Primary Loan Agreements with lower tier authorities, subject to suitable guarantees/security.

1.11 The Primary Loan Agreement will contain provisions including:

- A capped facility for capital expenditure;
- A definition of the works (infrastructure);
- Drawdown conditions based on certification of works;
- A loan term;
- A Drawdown and a Repayment profile;
- An interest rate - a rate fixed at 0.5% less than PWLB 5 year rates, or equivalent PWLB rates if the loan is for a longer period – this is to incentivise use of the fund, as opposed to using prudential borrowings, whilst providing at least a partial hedge against inflation. Other finance rates will be charged for non- standard projects reflecting risk, state aid and other project specific issues;
- Monitoring requirements; and
- No commitments will be entered into which would breach the total amount of funds available to SELEP

1.12 Preservation of capital will be an overarching objective. The Primary Loan Agreement will provide a contractual obligation for the Borrower to repay the loan according to the repayment profile, thus providing a sound basis for planning future rounds of loans.

1.13 The South East GPF will either be in 'open' or 'closed' mode. It will be closed to new applications when the fund is fully committed. It will be 'open' to new applications when investment headroom is forecast. Details of the processes for future 'calls for proposals' will need to be developed and considered by the Executive Group in consultation with ECC as Accountable Body.

## **Relevance to ECC's corporate plan and other Strategic Plans**

2.1 ECC's leading role in respect of the LEP is commensurate with the priority listed in the EssexWorks 2012-17 commitment of 'securing the infrastructure and environment to enable businesses to grow'. The Leader and Chief Executive acknowledge the importance of '[forging] a new partnership that brings together the county council, the wider public sector, civil society and the citizens, businesses and communities of Essex' which our activities here support in exemplary fashion.

2.2 Accountable Body status for the Growing Places Fund underlines our position as the key driving authority for the LEP, and helps ensure that our own priorities are closely aligned with the LEP and its programmes. This has already demonstrated a benefit to Essex through the success of the Integrated County Strategy and its dovetailing with the Growing Places Fund process, and will continue to do so as further monies (such as that for major transport schemes) are devolved to the LEP.

## **Internal and External Consultation**

- 3.1 Government approval of the PQQ and agreement at the LEP Board on 7<sup>th</sup> December 2011 confirmed ECC in position as the Accountable Body for GPF.

### **Legal Implications (Monitoring Officer)**

- 4.1 The Council has power under section 1 of the Localism Act 2012 to do anything that individuals generally may do. The Council may therefore assume Accountable Body status for the Growing Places Fund and may enter into loan and various other agreements with applicants who successfully bid for funding under the Growing Places Fund.
- 4.2 The agreements for Growing Places Fund will set out clearly what the loans are to be used for and will provide for repayment of the loan on a specified date together with the payment of interest. The LEP will then utilise the repaid monies to fund future loan applications. ECC would be able to take legal action under the agreement in the event of default on repayment.
- 4.3 ECC will want to be satisfied that the loan recipients have gone through their own due diligence and decision making processes before entering into the agreements given the scale of the monies involved.
- 4.4 The applications are being considered by the LEP board but, as Accountable Body, it will be for ECC to make the formal decisions on those loan applications, taking into account the evaluation criteria and the board's recommendations. Such decisions will be made by the Assistant Chief Executive. The Assistant Chief Executive will be required to produce and retain information on the reasons for the selection of the successful bids in line with the agreed evaluation criteria, including any equality implications.

### **Finance and Resources Implications (Section 151 Officer)**

- 5.1 As 'Accountable Body' Essex will be responsible for ensuring appropriate financial administration and governance of the Growing Places Fund and other LEP monies. It will achieve this by applying its own governance framework, accounting policies and financial procedures to ensure that the funds are applied and accounted for appropriately.
- 5.2 The accounts of the LEP will be maintained on the Council's financial systems, but will not be incorporated into the Council's own accounts.
- 5.3 Annual accounts will be prepared by ECC in accordance with generally accepted accounting principles, on behalf of the LEP and an external audit will be undertaken. The costs of the external audit will be covered by the revenue element of the Growing Places Fund which is up to 2% of the overall funding pot (2% currently representing £984,201)
- 5.4 One of the activities that will be undertaken by ECC will be the management of the Partnership's cash balances. The Council will achieve this by

consolidating the Partnership's cash balances with its own cash balances and by investing or borrowing on the basis of the net position (i.e. in accordance with the Council's own annual treasury management strategy). The Council will pay interest to the Partnership at a rate commensurate with the rate it is itself achieving on the amounts invested (or charge interest on overdrawn balances at a rate equivalent to the rate at which the Council can itself borrow for the equivalent period).

## **Human Resources Implications**

- 6.1 To support the smooth running of the Growing Places Fund, Accountable Bodies have the freedom to use up to 2% of the fund as revenue, using it to support the management of the fund and associated LEP running costs. We have agreement from the South East LEP (minutes and papers all available) that ECC can seek support for both a Growing Places Fund Manager and a Growing Places Fund Programme/Project Manager, paid for by these means. Both would be in ECC's establishment.
- 6.2 In the interests of keeping costs down to an absolute minimum, we are pursuing the appointment of a Growing Places Fund Manager through the normal means of appointing a Finance Business Partner. Reporting lines will be in the Finance directorate, with strong links to the permanent LEP secretariat which is also currently being established. Contributions to this are being paid to ECC by the upper tier authorities of the LEP, percentages calculated on a per capita basis.

## **Equality Impact Assessment**

- 7.1 The appraisal of bids has done and will continue to take into account equality implications. When the projects are delivered on the ground, processes for ensuring equality implications are taken into account will be conducted by the upper tier local authorities contracted in their capacities as lead for each of the projects, and according to their own arrangements for supporting equality and diversity.

## **Background papers**

1. The Government's initial prospectus on Growing Places Fund is available [here](#).
2. The LEP's PQQ response to Government is inserted below.
3. General information on the LEP is available on the website, [www.southeastlep.com](http://www.southeastlep.com)
4. South East LEP Growing Places Board Paper 23 March 2012 is embedded below.



SELEP - GPF March  
Board Paper FINAL.pd

## Pre-Qualification Questionnaire

### Section A

#### Summary information

##### A1. Proposal title and overall objective of the Fund

Title: South East Local Enterprise Partnership (SELEP) Growing Places Fund

Objective: To develop a recyclable fund that will support the aims of the LEP as outlined in the SELEP Mission and Vision Statement. The fund will be strategic in outlook, aiming to achieve the maximum economic impact in terms of employment and growth. In the short term we aim to get projects moving that have stalled due to lack of funds so that we can support economic growth and new enterprise and employment opportunities. Over the longer term we will aim to increase the fund's leverage so that its impact can be expanded and so help generate greater economic returns for the LEP area.

##### A2. Name of the Local Enterprise Partnership(s) submitting the proposal

South East Local Enterprise Partnership (SELEP)

##### A3. Lead point of contact:

<b>Name</b>	Adam Bryan
<b>Organisation</b>	Essex County Council
<b>Job title</b>	Senior Policy Manager
<b>Address</b>	Essex County Council County Hall Market Road Chelmsford CM1 1QH
<b>Telephone</b>	01245 431174
<b>Email</b>	lep@essex.gov.uk

**A4. Geographical coverage of the Fund**

*(please provide details of the LEP area(s) the Fund will cover)*

The fund will cover the whole of the South East Local Enterprise Partnership, which consists of Essex, Kent, East Sussex, Medway, Southend and Thurrock. Investments will be prioritised on the basis of delivering against the Growing Places Fund and LEP objectives.

**A5. Signature of the lead Local Enterprise Partnership Chair**A handwritten signature in black ink, appearing to read 'Tom Jones', is written within a rectangular box.



## Section B

### Infrastructure projects

**B1. Are you committed to using the Growing Places Fund to generate economic activity in the short term by addressing immediate infrastructure and site constraints which promote the delivery of jobs and housing?**

Yes

**B2. Please outline how the Fund will deliver the LEPs' priorities for housing and economic growth (this should be no more than one page).**

SELEP has already developed a comprehensive mission and vision statement that sets out the aims of the LEP. This statement gives the LEP a strong strategic perspective on the projects required to ensure housing and economic growth in the LEP area. Our mission is to '*create the most enterprising economy in England*' and deliver the single goal of steady, sustained economic growth over the next 20 years. We have identified four strategic objectives we must achieve to meet this goal: 1) secure the growth of the Thames Gateway; 2) promote investment in our coastal communities; 3) Strengthen our rural economy; 4) Strengthen the competitive advantage of strategic growth locations.

We intend to use our Growing Places Fund allocation to set up a revolving fund to provide financing to projects that will help the LEP to fulfil its strategic objectives over both the short and the long term. It is considered vital that the fund be self-financing, so that these resources can be used repeatedly over many years for the benefit of the LEP area.

A considerable body of work has already been undertaken across the SELEP area to identify priority projects. This includes Integrated County Strategy in Essex, the Kent Regeneration Framework and the East Sussex Economic Development Strategy.

In the short term, we will look to finance projects that will deliver growth in enterprise and employment, and that will support economic growth. We will look to achieve a balanced portfolio of investments that will deliver jobs and housing growth in line with government and our own objectives. In the longer term, as economic recovery is achieved, we may consider projects with a longer time horizon and greater longer term benefits. At the project level, our investments will seek private sector leverage and alignment from other public funding sources. In the longer term, the LEP also intends to explore more fully the opportunity to create leverage at the fund level so as to maximise its impact.

All projects will be assessed according to a uniform set of criteria based on the LEP vision that all private and public sector board members have agreed to. This process is already underway and project promoters have been asked to submit their proposals for a first stage assessment in early January. The SELEP Executive

Group will consider the project long list at its February meeting before further appraisal and due diligence work is undertaken.

A standard project proforma has already been widely circulated across the SELEP area seeking details on potential investment opportunities. The proforma is designed to gather information that will aid the selection of projects and requests details on range of matters include leverage, risks, returns and value for money. Based on the requested information, the final assessment and selection criteria are being developed but will include the following: strategic fit; speed of delivery; achievement of economic outputs; timescale for repayment and returns on investment; value for money and risk. We intend that the scale of projects supported should depend upon which projects maximise economic outcomes across the LEP area, taking into account the leverage that can be achieved by each project (see below). In practice, this is likely to mean funding a number of medium-sized projects rather than one big project, which will lead to significant risk, or a large number of smaller projects, where it may be difficult to leverage the LEP's investment and would not be cost effective to administer.

**B3. Please outline any proposed leverage from the private sector and other funding streams (e.g. ERDF) to be explored and/or considered.**

We will use the Growing Places Fund to generate significant leverage, ensuring that the benefits of the initial fund allocation are maximised. The governance arrangements for the Fund will be designed in such a way as to enable the LEP to attract, manage and demonstrate leverage.

At the project level, leverage from a wide range of public and private sources will be considered, including: private development finance; public funding through land assets or other sources; funding sources arising from successful development such as the New Homes Bonus, CIL and increased business rate income. We are requiring all prospective projects to list how much additional funding will be leveraged and the rationale for these estimates. Prospective projects also need to highlight the wider development that will be enabled through the investment. These factors will be considered by the LEP Executive Group in prioritising projects to be supported in the first round of investment.

As outlined below in response to C3, funding agreements will be primarily between the accountable body and public sector partners who will manage leverage at a project level. There will then be separate agreements between the public sector partners and relevant developers/landowners.

Separately, each of the three counties within SELEP have looked at which projects could be brought forward to support economic growth and regeneration. This will ensure a better understanding of the leverage that can be achieved in the first round of funding disbursement.

In due course, opportunities for leverage at overall SELEP level will also be explored. This may include leverage from EU sources, Regional Growth Fund, private investment and pension fund investment.

Leverage from public and private sector sources is one of the key factors the LEP will consider when making decisions on how to allocate the Growing Places Fund to specific projects.

**B4. Please set out the resource/capital split (resource can be no more than 2% of the total allocation).**

We intend to use 2% of the total allocation for resource costs and detailed work is underway to plan and forecast the use of these funds. Resource costs will include those related to the administration and management of the fund, due diligence, evaluation and monitoring costs. We will consider the use of interest charged or a finance administration fee on disbursed funds to cover future administration costs (and, where possible, to generate a surplus that will allow the fund to grow).

## Section C

### Governance arrangements

**C1. Do you have, or will you have, appropriate governance arrangements in place which will secure value for money in the use of the Fund?**

Yes

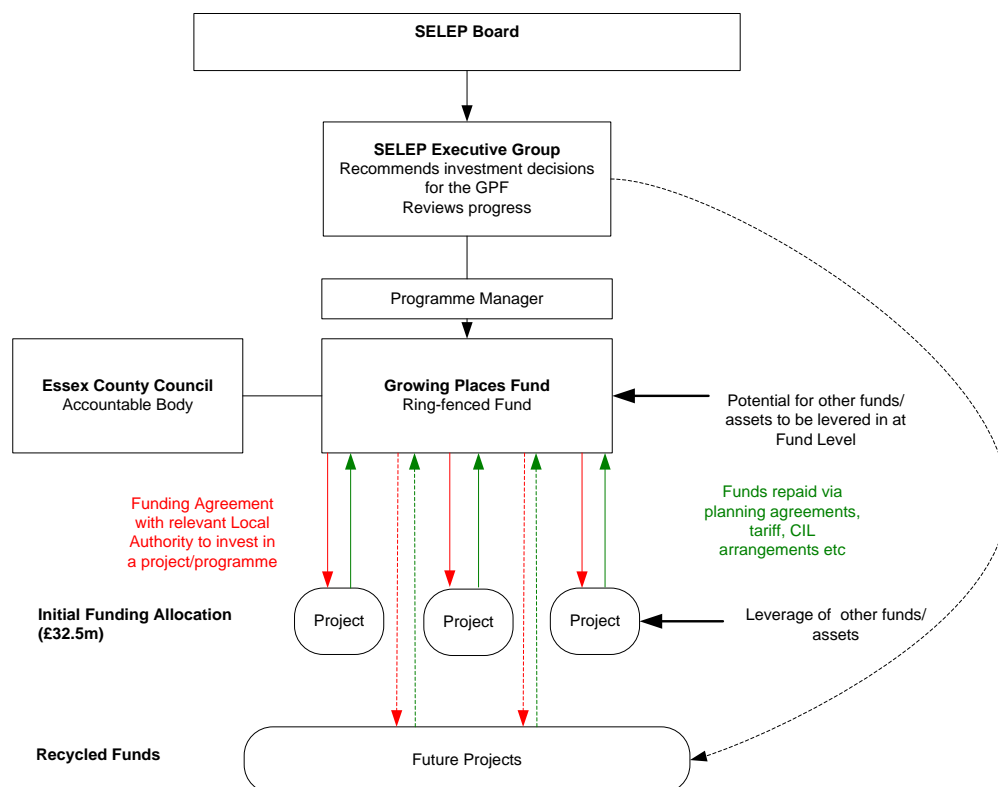
**C2. Which local authority will be the accountable body? Please attach a letter of acceptance from the Section 151 local authority Finance Director.**

Essex County Council

**C3. Please outline the governance structure for the management of the Growing Places Fund.**

The figure below outlines the governance structure for the management of the Growing Places Fund.

**Figure 1: Governance Arrangements**



As outlined above, Essex County Council will act as the accountable body, and will

administer the fund under the County Council's standard financial procedures. We are about to recruit an individual with the sole purpose of providing full time secretariat support to the LEP. This role will include overall coordination of the Growing Places Fund, with the individual acting as Programme Manager for the Fund. External support maybe procured where specialist skills are needed for example for the due diligence process and preparing legal agreements and to deal with peak workflows. A proportion of the revenue funds available through the Growing Places Fund will support this position.

Investment recommendations will be made by the Executive Group of the LEP to the LEP Board. This group is part of the existing LEP governance and decision making architecture. It comprises of elected local authority members, business and education representatives. The group will be advised by a senior finance officer of Essex County Council in relation to the finance of proposed projects.

A set of assessment criteria has already been developed that local authorities will be completing for prospective projects and programmes. Assessment criteria include: strategic fit, project viability, risk, leverage, market demand for the investment, and expected benefits in terms of jobs and homes created. As detailed earlier, calls for proposals for the first round of funding have already been made and completed project assessment forms will be reviewed by the Executive Group. Local authorities have been asked to evidence assertions about market demand and expected leverage, risk, etc. and to state when benefits are expected to occur so that projects and programmes with more immediate outputs can be prioritised. We will be undertaking further work to develop assessment criteria that will support effective decision making by the Executive Group.

The Executive Group will make investment recommendations to the LEP Board for approval. In future, when funds begin to be recycled, the Executive Group will review and make recommendations on further projects to be supported by the Fund. The Executive Group will aim to ensure that investment decisions taken result in a balanced portfolio for the LEP, so as to avoid excessive risk and endanger future investments.

The Growing Places Fund allocation will be established as a ring fenced fund with individual funding agreements made between the Accountable Body and local authorities who will manage local investments. It is anticipated that funding agreements will primarily be with local authorities, who will then manage the allocation and issue any sub-contracts as appropriate. There may be exceptional circumstances where funding agreements are placed directly with landowners/developers. This reflects the Board's desire to make rapid progress in allocating the first round of investments and a view that focusing initial on local authorities is considered to be lower risk and has the advantage of keeping the structures relatively simple.

Recipient local authorities will be responsible for the accounting of individual projects supported by the Fund and will be responsible for the procedures to repay funds over time. For the first round of projects we will focus on those projects which already have planning permission and we will explore a range of methods to secure a return on investment by the Fund. These may include a mix of fixed contributions, guaranteed minimum annual contributions, contributions from S106 agreements, tariffs or CIL. Funding agreements will include terms relating to reporting and monitoring.

Each project supported will need to be State Aid compliant and the responsibility for compliance will rest with the local authority recipients of funding.

Leverage against the Fund will also be secured and managed at the Project Level, with local authorities able to 'match' the allocation to other sources in support of the project objectives. Where there are exceptional costs borne by recipient local authorities, we will consider using

the resource funds within the Growing Places Fund allocation to support these.

We propose to liaise with the HCA in the allocation of funds and build on lessons learnt from the South East Regional Infrastructure Fund and how these might be reflected in the arrangements for managing the Growing Places Fund. The Board's ambition is ultimately to roll the SE RIF into the Growing Places Fund, so create greater synergies and scale of investment.

We anticipate being in a position to make our first round of investments from April 2012, by that time we will have established appropriate mechanisms for project reporting that will support further decision making by the LEP and provide information to both SELEP and Government as to the impact of Growing Places Fund-financed projects. We intend that this reporting will be robust but not overly bureaucratic so as to minimise costs to local authorities and private sector developers.

**C4. Please outline your monitoring and evaluation plans. Details should include approach, timing, and resource implications.**

The Growing Places Fund is expected to facilitate the development of a range of quantifiable outputs, particularly new homes and jobs. We will put in place a robust monitoring and evaluation framework at the SELEP level from the outset to ensure that outputs can be robustly evaluated. The framework will be aligned with the Growing Places Fund and SELEP objectives.

Recipient local authorities will be responsible for collating monitoring data and undertaking evaluations at Project Level, and these requirements will be set out in the funding agreements. The Programme Manager will be responsible for collating information from the local authorities to enable monitoring and evaluation of the GPF as a whole.

Essex County Council (the Accountable Body) has a monthly reporting cycle, whereby detailed reports are issued to its budget holders, and summary reports are issued to Directorate Leadership Teams and to the Corporate Leadership Team. This information will be used to inform the overall monitoring of the Fund. Monitoring of the Fund will be a standing item on the agenda of the Executive Group and of the SELEP Senior Officers Group. Reporting to the full board which meets quarterly will be undertaken and an annual report will be presented to the full board.

We envisage that an interim evaluation against the framework will be undertaken after the first round of investments from the Fund have been recycled. The exact timing of this will be determined by the timetables of the projects supported.

Resources for monitoring and evaluation will need to be determined, but we expect that some of the costs will be supported by the 2% resource allocation. Efficiencies in the monitoring and evaluation process will be sought at every step of the process, linking in with existing procedures.

## Section D

### Management of the Fund

**D1. Do you have appropriate arrangements in place to deliver transparency in the use of the Fund?**

Yes

**D2. Please outline the financial procedures that will be used to oversee management of the funds provided, including the approach that will enable funding to be recycled for other projects, and tackling the issue of deadweight.**

Essex County Council will administer the fund under the County Council's own governance framework, accounting policies and financial procedures to ensure that funds are applied and accounted for appropriately. This will be carried out under the direction of the Council's Section 151 Finance Director.

Annual accounts will be prepared by Essex County Council and an external audit undertaken. This will provide independent assurance to all partners and interested parties that funds are being applied and accounted for in compliance with best practice.

Separate funding agreements with each recipient local authority will be prepared, and the accounting responsibility for monitoring the agreements will rest with the contracting local authority partner, under the direction of their Section 151 Finance Director. Any expenditure and income at the local authority level will also be subject to external audit through the annual audit of accounts. Funding Agreements will specify how funds will be returned with potential additional clauses to meet the requirements of the Growing Places Fund (e.g. monitoring obligations). We are undertaking further work to consider risks and returns, and to develop a 'model' funding agreement that will be used.

When returns start to be received to the GPF, the same procedures will be applied to the use of recycled funds for other projects. The Executive Group will continue to be the body that makes recommendations on investment decisions relating to the Fund.

With regards to deadweight, the LEP is committed to ensuring that the GPF supports projects where there is a clear need for forward funding that cannot be secured from other sources. Projects supported by the fund will be required to demonstrate that they would not have gone ahead in the same timeframe or achieved the same quantum or quality of outputs without the GPF.

**D3. Please outline the quality assurance arrangements that are in place to ensure decisions are adhered to, the funding is administered properly,**

**appropriate records are kept, and due diligence and evaluation undertaken.**

As accountable body, Essex County Council will administer the funds in compliance with its own governance, quality assurance and financial procedures as outlined above. The Council has approved and adopted a Code of Corporate Governance, which is consistent with the principles of the CIPFA / SOLCASE Framework for Delivering Good Governance in Local Government and publishes an Annual Governance Statement which explains how the Council has complied with this Code.

Projects shortlisted for funding from the Growing Places Fund will be subject to due diligence prior to any allocations being made. The Executive Group of the LEP will oversee this process, accessing technical advice as appropriate.

The Programme Manager within the LEP secretariat will play a role in ensuring that appropriate records are kept and in the management of the monitoring and evaluation framework. The Programme Manager will also oversee the maintenance and regular review of a Risk Register, with recipient local authorities required to submit risk information as part of the funding agreements.

Recipient local authorities will be responsible for putting in place quality assurance plans for the disbursement of the funds. We envisage that the funding agreements will cover the following: the amount of funding being provided and what this can be used for; requirements of the recipient local authority including outputs, activities, milestones and targets; auditing procedures; details of how and when the funding will be repaid.

**D4. Please outline how you will ensure all data concerning the use of the funds, decisions made, and outcome of the projects are made publically available.**

All data concerning the use of the funds and decisions made will be made available in a timely fashion on the SELEP website.

Papers for the full LEP board are publically available and will include items on the Growing Places Fund. This will include information on the decisions made, updates on projects, and outcomes. Minutes of the Executive Group meetings are publically available and will include the Growing Places Fund as a standard item from now on.

The Communications subgroup of the LEP will ensure that information relating to the Growing Places Fund is widely communicated. The funding agreements prepared will include requirements relating to communications to ensure that data on individual projects is made publically available and also place a requirement on recipients to acknowledge support from the Fund and from the LEP.



## Section E

### Equality information

**G1. Is it expected that the use of the funds or their outcomes will have a detrimental impact on any of the groups with protected characteristics as listed in the Equality Duty?**

*If yes, please describe the impact or impacts the proposal is expected to have, the group or groups which may be affected, and any steps, if applicable, which have been taken to mitigate the impact(s).*

Equality Impact Assessments will be carried out as appropriate on the projects supported by the Growing Places Fund. The use of the Fund or its outcomes are not expected to have a detrimental impact on any of the groups with protected characteristics listed in the Equality Duty. It is anticipated that the projects supported by the Growing Places Fund will have a range of positive impacts, for example increased employment opportunities and new homes.

