

Report to Accountability Board	Forward Plan reference number: N/A
Date of Accountability Board Meeting:	17 th November 2017
Date of report:	8 th November 2017
Title of report:	Growing Places Fund update
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1. Purpose of report

- 1.1 To update the SELEP Accountability Board (the Board) on the latest position of the Growing Places Fund (GPF) Capital Programme. This report is for information only.

2. Recommendations

- 2.1. The Board is asked to:

- 2.1.1 **Note** the updated position on the GPF programme

3. SELEP Growing Places Fund investments

- 3.1 In total, £49.210m GPF was made available to SELEP, of which £48.705m GPF has been allocated to date. These allocations include loan investments in 13 capital infrastructure projects, as detailed in Appendix 1. In addition, a small proportion of GPF revenue funding was allocated to Harlow Enterprise Zone (£1.244m) and the remaining proportion has been ring-fenced to support the activities of SELEP's Sector Groups; as agreed by the Strategic Board in June 2017.
- 3.2 The loan repayment schedule for each GPF project is agreed within the credits in place between Essex County Council, as Accountable Body, and the lead County/ Unitary Authority for each project. A copy of the expected repayment schedule is set out in Appendix 2.
- 3.3 Repayments are now being made on these initial GPF investments, with £4.656m, having been repaid to date, and a further £3.753m due by the end of 2017/18. Following agreement from the SELEP Strategic Board on the 9th June 2017, a process is now underway to establish priorities for the reinvestment of GPF.

- 3.4 Projects prioritised by the Strategic Board, or a sub-committee of the Strategic Board, for GPF will be considered at future Board meetings for final award of funding.

4. Growing Places Fund Project Delivery to Date

- 4.1 The detail of GPF project delivery to date is shown in Appendix 1.
- 4.2 Eight GPF projects have now been completed, with the benefits of this infrastructure investment starting to be realised. To date, it is reported that 915 jobs have been delivered through investment in commercial space and new business premises, as set out in Appendix 3 and summarised in Table 1 below. To date 9 houses have been recorded as complete. However, it is expected that the project benefits extend beyond the direct job creation and housing benefits captured through the current reporting.

Table 1 Monitoring of GPF project outputs

Name of Project	Outputs defined in Business Case		Outputs delivered to date	
	Jobs	Houses	Jobs	Houses
Priory Quarter Phase 3	440	74	74	0
North Queensway	865	0	0	0
Rochester Riverside	402	450	0	0
Chatham Waterfront	211	115	0	0
Bexhill Business Mall	299	0	125	0
Parkside Office Village	169	0	120	0
Chelmsford Urban Expansion	2,105	0	365	0
Grays Magistrates Court	200	0	69	0
Sovereign Harbour	299	0	75	0
Workspace Kent	198	0	87	0
Harlow West Essex	4,000	1,200	0	0
Discovery Park	130	250	0	0
Live Margate	0	66		9
Totals	9,318	2,155	915	9

- 4.3 As the Bexhill Business Mall and Grays Magistrates Court projects have been fully completed and the business space let, the monitoring and evaluation data reported to SELEP indicates that the delivery of jobs and houses for these projects falls short of the forecast outcomes identified in the business case. However these projects have had a positive impact in supporting private sector business activity through the provision of new employment space.

- 4.4 For other GPF projects, the reporting to SELEP Secretariat indicated that projects are still expecting to achieve the expected project benefits, as set out in the original project business case. The Board will continue to receive quarterly update reports to ensure oversight of the delivery of GPF projects and the expected project benefits.
- 4.5 Repayments are now being made from initial GPF investments; totalling £4.656m to date. There are eight projects which have made repayments to date, including Chelmsford Urban Expansion project which has now repaid the £1m GPF loan in full.
- 4.6 The SELEP Secretariat has not been made aware of any risks to the repayment of GPF, further to those changes which have been agreed by the Board to date. If any delays to the repayment of GPF are identified, for existing GPF investments, this will have an adverse impact and reduce the amount of GPF available for re-investment through the next round of GPF allocations.

5. Financial Implications (Accountable Body Comments)

- 5.1 The Accountable Body will continue working with the SELEP secretariat to provide support and advice with regard to monitoring repayments on-going and the plans for reinvesting the funds.
- 5.2 It should also be noted that delayed repayments on investments made on an interest-free basis will further erode the true value of the fund over time; this presents a risk to the on-going sustainability of the fund as a recyclable loan scheme.

6. Legal Implications (Accountable Body Comments)

- 6.1 None at present

7. Staffing and other resource implications (Accountable Body Comments)

- 7.1 None

8. Equality and Diversity implications (Accountable Body Comments)

- 8.1 Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when a public sector body makes decisions it must have regard to the need to:
 - (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

- 8.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 8.3 In the course of the delivery of the Projects and their ongoing commitment to equality and diversity, the promoting local authorities will ensure that any equality implications are considered as part of their decision making process and were possible identify mitigating factors where an impact against any of the protected characteristics has been identified.

Role	Date
Accountable Body sign off	
Lorna Norris	10/11/17
On behalf of Margaret Lee	

9. List of Appendices

- 9.1 Appendix 1 – Growing Places Fund Project Summary
- 9.2 Appendix 2 – Growing Places Fund Repayment Schedule
- 9.3 Appendix 3 – Benefit Realisation

10. List of Background Papers

- 10.1 None

(Any request for any background papers listed here should be made to the person named at the front of the report who will be able to help with any enquiries)