

Report to Accountability Board	Forward Plan reference number: N/A
Date of Accountability Board Meeting:	22 nd September 2017
Date of report:	13 th September 2017
Title of report:	Growing Places Fund update
Report by	Rhiannon Mort, SELEP Capital Programme Manager Amy Beckett, Programme Manager, SELEP
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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.

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.
- 3.2 Of the 13 capital infrastructure projects allocated GPF funding to date, credit agreements are now in place for all of these projects including Harlow West Essex, Discovery Park and Live Margate.
- 3.3 The loan repayment schedule for each GPF projects is set out 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.
- 3.4 Repayments are now being made on these initial GPF investments, with £4.656m having been repaid to date.

- 3.5 At the last Strategic Board meeting a process was agreed for the recycling of the GPF through a competitive bidding process. This set out the approach for the re-investment of £9.317m GPF over the next three years.
- 3.6 At the next Board meeting members of the Board will be joined by the SELEP Chair and three SELEP Vice-Chairs to form an Investment Panel, to agree the GPF priorities for the next round of investment, based on the bids developed by Federated Areas.

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 865 jobs have been delivered through investment in commercial space and new business premises, as set out in Appendix 3. However, it is expected that the project benefits extend beyond the direct job creation and housing benefits captured through the current reporting.
- 4.3 Repayments are now being made from this initial GPF investment; totalling £4.655m. 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.

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)

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

- 7.1 None

8. Equality and Diversity implications (Accountable Body Comments)

Role	Date
Accountable Body sign off Suzanne Bennett On behalf of Margaret Lee	14/09/17

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)