**LEP – Growth Deal Programme – Lead Anne-Marie Parkinson**

***Background***

The Lancashire Growth Deal is a £320m capital grant programme, delivering 51 project across pan-Lancashire, aligned with four key priorities, rooted in maximising the area's competitive economic strengths. This Deal is expected to bring to Lancashire's economy; 11,000 jobs, 3,900 homes and attract £1.2bn of private sector investment.

***Performance***

Projects - There are currently 51 projects within the programme of which:

* 99% of the funding is allocated to 51 projects
* 100% of the projects have received a LEP funding approval, of which:
* 92% (47 projects) have completed contracting via a Grant Funding Agreement
* 88% (45 projects) of projects have commenced their physical works
* 51% (26 projects) of the projects have completed their physical works
* 18% (9 projects) of projects have fully completed their contracted spend and output delivery

Programme Milestones

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| --- | --- | --- |
| **Milestone** | **Date** | **Comments** |
| Programme funding allocated projects | 2016 | 1% currently available (£3.2m) |
| Programme funding contracted to projects | Ongoing | 92% achieved to date |
| Satisfactory BEIS Annual Performance Review | Annually | 2019 satisfactory |
| Communications Milestones Identified | Ongoing | Updated on a quarterly basis |
| Projects achieve objectives | 2021 | Currently on target |
| Achievement of Programme Deal Targets | 2025 | Currently on target |
| Social Value embedded within the programme | 2016 | Each project reports 6 monthly |
| Programme Evaluation Complete | 2021 | On schedule |

Outputs – The table contains the core outputs contain in the government 'Deal Targets' document, a full list of outputs for the programme is available upon request etc. The data reflects performance at Qtr. 3 2019/20 (Oct-Dec 19/20). Qtr. 4 2019/20 data has been delayed from projects responding to COVID-19.

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| **Lancashire 'Deal' Targets** | **Growth Deal (£m)** | **Investment (£m)** | **Housing** | **Jobs** | **Commercial floorspace sqm** |
| Growth Deal Targets | £274.395 | £140.000 | 3,900 | 11,000 | 43,829 |
| Growth Deal Forecasts | £274.395 | £375.761 | 8,675 | 15,456 | 228,446 |
| Growth Deal Actuals | £133.662 | £139.213 | 552 | 3,352 | 9,672 |

Currently the table above identifies the programme will exceed its targets, however it is expected output forecasts will reduce as a consequence of the impact of COVID-19 on project delivery, and the change to the economic climate. LEP Officers will continue to liaise closely with scheme effects to establish a clearer picture over the coming months.

***Risks / Matters of consideration***

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| **Risk** | **Mitigation / Action** |
| Retaining full funding allocation – Covid-19 Review | Identify financial solutions with affected projects - actions agreed with BEIS. Clear pathway for unallocated funds. |
| Programme Performance reduced as a consequence of COVID-19 | Close review of programme Spring / Summer 20/21 to assess impact and identify solutions agreeable by all stakeholders |
| Project Delivery Delayed | Financial solutions agreed, close monitoring, change control where required. |
| Unable to attract future funding opportunities re lack of performance | Clear Strategic Pipeline / Identification of PR Communication Opportunities / MP Engagement / Successful Evaluation / Collation of case studies. |