

LEP – Growing Places - Lead Sue Roberts***Background***

The government provided £19.3m in 2012 for a Growing Places Fund. The fund is for capital developments to unlock stalled sites in Lancashire with an ambition that the fund should become evergreen (a recycling loan fund). The fund has achieved this and moving forward the capital continues to be re-invested in new schemes with the interest becoming part of the income for the LEP.

There are currently eleven schemes in receipt of growing places funds, eight been developed out and repaid. There are three live schemes; two are the subject of a separate report and four projects are in the pipeline.

Performance

As this is a loan fund, there are no contracted targets, however schemes have reported the following economic impacts in relation to the funds received.

Output – As at 1/6/20

Output	Actuals
Private sector investment	£97,887,013
Jobs	2,120
Space developed	2,228,450 sq. ft.
Housing Units	640

Finance – As at 1/6/20

Finance	Actuals
Original Fund	£19,378,944
Capital Loaned	£27,864,420
Capital Repaid	£21,657,806
Interest Received from loans	£1,696,322
Capital to Invest *	£12,229,244

*This figure changes with each repayment received.

Milestones - Each scheme has its own milestones in terms of development, which are monitored on a monthly basis during the build phase

Risks

- 1) The current loans are not repaid
- 2) Failure to deliver more loans
- 3) The pipeline of schemes dries up

In mitigation of the above risks, each scheme is closely monitored to identify any problems early with solutions to the issues worked through. It is not envisaged that any of the current schemes will default on their loans. The current pipeline is being actively managed and will be diligently promoted when the current restrictions allow. A list of developers active in Lancashire has been created and work is ongoing to make them aware of the funding.

A marketing campaign is being developed to raise awareness amongst stakeholders to support the six Pillars of Growth in the strategic framework and to access developers that are

not currently on our radar. As part of the marketing campaign, targeted material will be developed for Food & Agriculture, Tourism, Culture & Place, Digital, Advanced Manufacturing, Energy & Low Carbon Solutions and Health to raise awareness of the capital funding available to businesses.