

## Appendix 'H'

### 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 have been developed out and repaid. There are three live schemes, two schemes have been developed out and one is still developing out on three sites but has drawn down their full facility.

The pipeline schemes have been reviewed, one is still active, one has stalled and two are making slow progress. There has been an addition to the pipeline and is linked to an inward investment proposition.

The government has responded to questions regarding flexibilities of the fund. They advised that the money was for loan funding and that it was up to each LEP how they interpreted it. Marketing plans have been developed for the sector groups and will be taken to the groups that have met for consideration and agreement. Once the sector groups have agreed the flexibilities of the Growing Places Fund a paper will come to board regarding new criteria for the Fund to be approved.

#### **Performance**

As this is a loan fund, there are no targets, as such no RAG rating has been applied to the KPIs. However included in the KPIs tables below, are the economic outputs reported by the recipients of the loans.

Whilst development is progressing on three sites no building control sign off has been completed, but there should be housing units and sq.ft. to report to the next board.

#### Key Performance Indicators

<b>KPI</b>	<b>Actuals as at 24/08/20</b>
Private sector investment	£103,136,991
Jobs	2,120
Space developed	207,029 sqm.
Housing Units	640
Original Fund Amount	£19,378,944
Capital Loaned	£30,680,298
Capital Repaid	£22,699,853
Interest Received from loans	£1,696,322
Capital to Invest *	£11,398,499

\*This figure changes which each repayment received.

## **Risks**

Risk	Mitigation/Action
Covid 19 impacts the viability of the schemes to deliver the returns	Two schemes have requested assistance with repayment of their loans which was approved using the Urgent Business Procedure on 25 August 2020.
The current loans are not repaid	Robust monitoring of schemes as per the terms of their Facility Agreement. Step in rights if loans are not performing Annual accounts from borrowers.
Failure to deliver more loans	Quarterly Performance Reporting. Promoted on LEP website with Expression of Interest form. Marketing campaign to commence, if agreed.
The pipeline of schemes dries up	Promoted on the LEP website. Marketing Campaign to commence if agreed by Board. Any changes to criteria promoted on LEP website and through marketing campaign if agreed.
Failure to achieve strategic impact	Alignment of marketing activity with KPIs of Strategic Framework to be agreed with the Board and priorities of the Local Industrial Strategy and Recovery Plan