**Appendix 'G'**

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

***Background***

The Getting Building Fund is a £900 million government programme to deliver jobs, skills and infrastructure across the country. This investment is targeted in areas facing the biggest economic challenges as a result of the pandemic. It is supporting the delivery of shovel-ready infrastructure projects, agreed with Mayoral Combined Authorities and Local Enterprise Partnerships to boost economic growth, and fuel local recovery and jobs.

In August 2020, government announced a funding allocation of £34.1m to Lancashire LEP from the Getting Building Fund. Following the announcement government undertook a review of the schemes submitted by the Lancashire LEP, where in agreement with the LEP the £34.1m was allocated to ten projects.

***Governance***

Subject to the contents of the funding offer letter expected from government later this month, the processes to manage the funds allocated to this programme will reflect those in place for the Growth Deal programme. The management of the Growth Deal programme has been highly regarded by CLG, both at the 'Deep Dive' and two previous 'Annual Performance Reviews'. In addition, the processes are fully compliant with the LEP Assurance Framework.

Processes include:

1. Allocation of funds to projects – Agreed by government.
2. Applicant provides to the LEP a project HMT Green Book Five Case Model Business Case.
3. LEP Commission Independent Assurance of the Business Case.
4. Presentation of project to the LEP Board to seek funding approval (subject to positive assurance recommendation).
5. Complete Grant Funding Agreement (same conditions / clauses as Growth Deal).
6. Project applicant submits quarterly reporting / claims to the LEP.
7. Upon completion of the project and all associated outcomes, a Project Exit Report is completed, which formally evaluates and closes the project.

Due to the time constraints of the programme, with projects requiring to commence activity immediately in order to achieve the financial completion date of March 2022, the following two processes have been streamlined, making significant time and cost saving efficiencies.

1. Recommendation of Funding Approval - The recommendation to the LEP Board will be made by the LEP Investment Programme Manager, as opposed to a recommendation by a sub-committee of the LEP. Prior to making a funding decision the LEP Board will receive an introduction to each project, so that members are fully aware of the project detail, and are able to seek clarifications as required. The LEP Board will be fully informed of any associated risks and appropriate mitigation.
2. Independent Assurance – Whilst the independent assurance will consider all five cases within each business case, the focus and findings will be on the 'Economic' and 'Management' Cases, given these are the core criteria for the call (deliverability and VFM). All cases will be scrutinised by LEP Officers as appropriate.

***Performance***

Delivery

In terms of progress to date:

* All funds are allocated to ten projects
* Nine of the ten project business cases have been submitted to the LEP.
* Independent assurance has been completed on two project business cases.
* Independent assurance has commenced on a further three projects.
* Independent assurance is expected to commence on four further business case during September. The final business case assurance is expected to complete October.
* LEP Board funding approvals are expected to be sought during September and October for all projects – subject to positive assurance recommendations.

Projected Outputs

The table below contains the combined forecasted outputs, as provided by projects when the projects were submitted to government. These output forecasts will be confirmed upon completion of the Business Case Assurance and contracting (GFA).

|  |  |
| --- | --- |
| **Output** | **Quantity** |
| Jobs Created / Safeguarded | 1524 |
| Housing Unit Unlocked or Delivered | 995 |
| Commercial floor space (sqm)  | 88247 |
| Learning space improved or created | 396 |
| Number of businesses or institutions assisted | 56 |
| KG of CO2 emissions avoided | 671071 |
| Public Realm or Green Space created | 23480 |
| Number of new super/ultrafast broadband connections | 102 |

Programme Milestones

|  |  |  |
| --- | --- | --- |
| **Milestone** | **Date** | **Comments** |
| Programme funding allocated projects | Aug 20 | Complete |
| Offer letter received | Sep 20 | Not yet received |
| Programme funding contracted to projects  | Oct 20 |  |
| Communications Milestones Identified | Oct 20 |  |
| Social Value embedded within the programme | Oct 20 |  |
| Projects achieve practical completion | Mar 22 |  |
| Programme contracted targets achieved  | TBA | Targets to be agreed with CLG |
| Evaluation / Case studies collected  | Mar 22 |  |

***Risks / Matters of consideration***

|  |  |
| --- | --- |
| **Risk** | **Mitigation / Action** |
| Projects do not pass business case or contracting process  | Agree with government to consider others in the pipeline submitted. |
| Programme fails to achieve objectives | Close monitoring and evaluation at quarterly intervals of each project. Reporting to LEP Board re performance.Potential clawback of funds |

