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Dear Barry,

LARGE LOCAL MAJOR SCHEMES FUND

As you probably know, the Chancellor announced in the Budget that the Government is now inviting bids for schemes from the £475m Local Majors fund. We have already made awards of £151m for the Lowestoft Third Crossing and Ipswich Wet Dock schemes and I am now inviting bids for further schemes.

The aim of this is to provide funding for those exceptionally large, potentially transformative local schemes that are too big to be taken forward within regular local growth fund allocations and could not otherwise be funded. Bids can be for scheme development costs, or if a business case is already complete, for funding to prepare and construct a scheme.

Greg Clark, the Communities Secretary, announced details of a further round of Growth Deals at the LEP Network conference on 22 March, to allocate up to £1.8bn of flexible Local Growth Fund (LGF). Following this, I understand that he has written to LEPs, requesting proposals to be submitted by summer recess and outlining that allocations will be made by Government by the autumn.

The competitive process for the Large Majors fund will run to a similar timetable as the wider Growth Deals round with a deadline of **21 July 2016**. Although the large majors fund is a stand-alone element of the LGF, we hope that by running the competitions in parallel this will not only minimise the burden on LEPs but will enable you to provide a joined up narrative about your proposals for growth and the additional impact that a large major scheme could have.

But we also want to offer a quicker opportunity for those LEPs with schemes that are already at an advanced stage of development and that wish to seek an award of development funding for 2016/17 when the first £10m of the

large major schemes fund is available. The advanced deadline for those submissions will be **31 May 2016.** We will aim to make decisions on those schemes by the summer recess.

DfT officials have already hosted some workshops on the fund and will provide you with a more detailed guidance note with criteria and bidding instructions.

There is likely to be strong competition for funding so it is vital that LEPs prioritise schemes carefully against the criteria and put forward only those with a strong case for consideration. Although there is no formal maximum I would not expect to receive more than one or two bids from a single LEP. I look forward to seeing some exciting scheme proposals that will have a lasting impact on the economic life of the country.

Yours sincerely

ROBERT GOODWILL