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<b>Meeting &amp; Date:</b>	SWLEP Board – Wednesday, 22 March 2017		
<b>Subject:</b>	Local Growth Deal 3 Award		
<b>Attachments:</b>	Letter to project leads		
<b>Author:</b>	Ian Durston	<b>Total no of sheets:</b>	5

<b>Papers are provided for:</b>	Approval <input checked="" type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input type="checkbox"/>
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## Summary & Recommendation:

### 1. Summary

- 1.1. The report summarises the Local Growth Deal 3 award to Swindon and Wiltshire LEP (SWLEP) which was announced by the Secretary of State for Communities and Local Government on the 23 February 2017 at the Chippenham Campus of Wiltshire College.
- 1.2. The Board is recommended to note the value of the award and the payment schedule associated with it and acknowledge the quality of the work associated by all concerned in the production of the local growth deal bid submitted to Government in July 2016 and its ultimate success in attracting further funding to Swindon and Wiltshire.

### 2. Recommendation

- 2.1. The SWLEP Board is recommended to note:
  - 2.1.1. the award of £28.09m in local growth deal round 3, which is in addition to £140.8m previously awarded in the first two rounds in 2014 and 2015;
  - 2.1.2. the payment schedule received from BEIS for LGF 3 projects and the associated cash flow management process across the portfolio of LGF1,2 and 3 projects;

2.1.3. the letter sent by the Chairman and the Director to all project leads of the 11 projects which formed the SWLEP's bid to Government in July 2016.

### 3. Detail

3.1. The allocation from central government to the SWLEP for Local Growth Fund 3 is £28.09m.

3.2. Board members received a special paper on 2 December 2016 outlining the amount of the award. They agreed to the recommendation that the funding be used to support fully the first two projects in the SWLEP's bid and to support in part the third project on the list.

3.3. The funding will allocated as follows:

<b>Scheme</b>	<b>Investment programme</b>	<b>Investment sought</b>	<b>Investment allocated</b>
Wiltshire College Salisbury	Skills capital	£13.83m	£13.83m
Wiltshire College Lackham	Skills capital	£8.20m	£8.20m
Regeneration of the Central Car Park and Maltings, Salisbury	Place shaping	£7.50m	£6.06m

3.4. This allocation is the third tranche of funding from Government through the Local Growth Deal process. The previous two rounds have resulted in allocations totalling £140.8m.

3.5. The total value of the projects operating through the Local Growth Deal is £518m. This includes £123m from other public sources and £226m from the private sector.

3.6. The budget profile for the Local Growth Deal Fund 3 allocation is slightly different from the profile defined by the projects receiving the allocation. The discrepancy is shown below:

	2017/18	2018/19	2019/20	2020/21	Total
Wiltshire College Salisbury	£2,300,000	£2,300,000	£2,300,000	£6,930,000	<b>£13,830,000</b>
Wiltshire College Lackham	£1,360,000	£1,360,000	£1,360,000	£4,120,000	<b>£8,200,000</b>
Regeneration of the Central Car Park and Maltings, Salisbury	£1,250,000	£1,250,000	£1,250,000	£3,750,000	<b>£7,500,000 *</b>
	<b>£4,910,000</b>	<b>£4,910,000</b>	<b>£4,910,000</b>	<b>£14,800,000</b>	<b>£29,530,000</b>
<b>BEIS LGF3 Payments</b>	<b>£6,716,274</b>	<b>£5,513,225</b>	<b>£2,754,922</b>	<b>£13,105,580</b>	<b>£28,090,001</b>

\*Note: this is original profiling submitted by project. LGF3 allocation is less.

- 3.7. The SWLEP Programme Manager has discussed these differences with the project leads who have agreed that the process can be managed. The Section 151 Officer of the Accountable Body is also aware and agrees that the discrepancies can be handled through effective cash flow management. This will be carried out across the portfolio of LGF 1, 2 and 3 projects in the same way as has been reported to the Board for LGF1 and 2.
- 3.8. The eight projects which did not receive funding remain part of the Category 1 projects which the Board identified in May 2016 as the strategically important projects which will form the basis of investment and bidding opportunities.
- 3.9. Although there is not likely to be another Local Growth Fund round in the period of this Parliament, there are further opportunities which may arise from announcements made in the Government's Autumn Statement in November 2016 and the Budget announcement in March 2017.
- 3.10. In such circumstances, the SWLEP would review the existing Category 1 projects against the assessment criteria for any bidding opportunity and use appropriate projects as a basis for any submission. It is also important to keep developing and amending the pipeline of projects so that our thinking remains current.

7 March 2017

(Name and address)

Dear (Name)

### **Local Growth Fund 3**

On 23 February 2017, Sajid Javid, the Secretary of State for Communities and Local Government, announced new funding for Swindon and Wiltshire as part of the third round of the Local Growth Deal.

We were awarded £28.09m, which follows announcements in 2014 and 2015 totalling £140.1m. Our total award over the three rounds is £168.19m. With additional public sector match of £122.76m and private sector contributions of £226.03m, our successful bids have resulted in an investment of £516.98m in infrastructure projects in our area between 2015 and 2021.

We submitted a bid in July 2016 which included 11 projects in priority order. Our bid was highly rated by the assessors at the Department for Business, Energy and Industrial Strategy, which is due recognition for the coherence of the SWLEP Board's approach and the quality of the individual scheme submissions.

Our award of £28.09m enables us to support the first three projects in our bid: the engineering, life sciences, construction and HE facility at the Salisbury campus of Wiltshire College; the agri-tech and HE facility at the Lackham campus of Wiltshire College and the re-development of the Central Car Park and The Maltings in Salisbury.

This leaves eight proposed projects, which still require funding. These projects are in our main set of first priority projects and we will continue to seek opportunities to obtain funding from a range of sources, including central government. We are hopeful that the Government's commitment to investing in infrastructure and funding opportunities arising from the Industrial Strategy, will enable various other projects to proceed. Of course, we need to respond to the criteria associated with the range of potential future funds, so the Board will assess the best match between fund criteria and projects in the SWLEP pipeline.

Thank you for all your hard work in developing projects throughout the three rounds of the Local Growth Deal and for those unsuccessful in this last round, please be assured that we will take every opportunity to secure further sources of capital funding.

Yours sincerely

John Mortimer  
Chairman

Paddy Bradley  
Director