

Portfolio Holder Sustainable Communities

Decision to be taken on or after 19 December 2011

Coventry and Warwickshire Growing Places Loan Fund

Recommendation

That the Portfolio Holder Sustainable Communities approves submission of the Growing Places Pre-Qualification Questionnaire to Government.

1.0 Background

- 1.1 Growing Places is a new £500 million scheme that is being jointly run by the Department for Communities and Local Government and the Department for Transport. The Fund has three overriding objectives
- To generate economic activity in the short term by addressing immediate infrastructure and site constraints and promote the delivery of jobs and housing;
 - To allow local enterprise partnerships to prioritise the infrastructure they need, empowering them to deliver their economic strategies;
 - To establish sustainable revolving funds so that funding can be reinvested to unlock further development, and leverage private investment.
- 1.2 There is a strong emphasis on the third objective, and an expectation that the Fund will be used to pump-prime infrastructure funds managed by the LEPs that will recycle funding by making repayable investments in projects, and reinvesting when money is returned to the Loan Fund.
- 1.3 The Coventry and Warwickshire Local Enterprise Partnership (CWLEP) has an indicative allocation of just over **£8.5 million** in 2011-2012. A lead local authority is required to act as accountable body for the funding on behalf of the LEP and it is proposed that the Council should do this for Coventry and Warwickshire.
- 1.4 Funding is un-ringfenced, and the only condition is that capital allocations are spent on capital projects. The Council will be responsible for submitting a statement to Government at the end of 2011/ 2012 confirming that this condition has been, or will be, adhered to. Up to 2% of the funding may also be used as resource (revenue) funding to help manage the Fund.

2.0 Pre-Qualification Questionnaire

- 2.1 Growing Places has been allocated to LEP areas based on a formula which seeks to allocate funds to areas best able to take advantage of them in order

to stimulate economic activity. It also takes into consideration the population of an area. Data has been taken at a District level and grossed up to provide totals and subsequently proportions at a national level.

- 2.2 LEPs do not need to bid for the funding. However, partnerships will need to demonstrate that they meet certain criteria in order to qualify for the Loan Fund, and a pre-qualification questionnaire (PQQ) has to be submitted to Government before the deadline of 20th December 2011.
- 2.3 The Government expects local areas to move swiftly but transparently in establishing Funds and allocating money to priority projects. In particular, partnerships will need to demonstrate in the PQQ that:
- They are committed to using the Growing Places Loan Fund to generate economic activity in the short term by addressing immediate infrastructure and site constraints which promote the delivery of jobs and housing;
 - They have appropriate governance arrangements in place which will secure value for money for use of the Loan Fund;
 - They have appropriate arrangements in place to deliver transparency in the use of the Loan Fund.
- 2.4 A copy of the draft PQQ is in **Appendix A**. Any significant changes will be agreed with the Portfolio Holder Sustainable Communities and the Head of Finance as Section 151 local authority Finance Director before the 19th December 2011, and communicated in the most appropriate format.

3.0 Next Steps

- 3.1 Once submitted, the PQQ will be checked to ensure relevant commitments are in place following which a single payment will be made to the Council.
- 3.2 A report will be brought to Cabinet at this stage which will provide more information on how the Loan Fund will be managed as well as seek formal approval for the Council to act as accountable body and authority for the Loan Fund to be launched. A further report will also ask Council to approve the addition of the funding to the Capital Programme.

Background Papers

1. Growing Places Fund Prospectus, Department for Communities and Local Government, November 2011

	Name	Contact Information
Report Authors	Dave Hill Matthew Epps	01926 418603 01926 412566
Head of Service	Louise Wall	01926 412422
Strategic Director	Monica Fogarty	
Portfolio Holder	Cllr Alan Cockburn	