

**NORTH LINCOLNSHIRE COUNCIL**

**REGENERATION CABINET MEMBER**

**GROWING PLACES FUND – ENDORSEMENT OF SCHEMES**

**1. OBJECT AND KEY POINTS IN THIS REPORT**

- 1.1 The purpose of this report is to inform the Cabinet Member of the process to submit expressions of interest for North Lincolnshire schemes that could be put forward in the proposals for Growing Places Fund by both the Greater Lincolnshire and Humber Local Enterprise Partnerships (LEPs).
- 1.2 To seek endorsement to submit potential schemes that meet the funding criteria and relevant LEP priorities.
- 1.3 An urgent decision is required to meet the short timescale to respond to the Humber and Greater Lincolnshire LEPs with suggested schemes so they are able to consider these and respond to the deadline for return of the Pre-Qualification Questionnaire.

**2. BACKGROUND INFORMATION**

- 2.1 The report submitted to the November Cabinet Member meeting outlined the £500 million Growing Places Fund which was recently announced by Department for Communities and Local Government (DCLG).
- 2.2 Expressions of interest have now been sought from both the Greater Lincolnshire and Humber LEPs for projects that meet with their key priorities and the criteria for the Growing Places Fund. Each LEP Board will determine which schemes are put forward as part of their proposal including planning for longer term schemes that can benefit from the revolving fund that will be created. A Pre-Qualification Questionnaire will be completed which sets out the governance arrangements and how the funds will be managed alongside details of the individual infrastructure projects.
- 2.3 Greater Lincolnshire LEP has been allocated £6,493,608 and has indicated that projects submitted must meet one of the following:
  - Front-funding Infrastructure (eg highway improvements) to release development where it has planning permission and there

is certainty that the investment will be repaid (with satisfactory mutually agreed terms)

- Investment via a “commercial” loan arrangement to facilitate major investment by local businesses
- Front-funding infrastructure (including costs of borrowing) which will result in the funding being repaid from an increase in planning gain (ie Section 106 or Community Infrastructure Levy (CIL)).

2.4 The Humber LEP’s allocation is £5,816,714 and it also has issued a request for potential schemes on a similar basis. It is seeking detailed information on a project by project basis which can demonstrate its planning status, costs of scheme including potential match-funding, payback period to the revolving fund, longevity of scheme and impact of outputs to the LEP area.

2.6 North Lincolnshire Council, as agreed at the last Cabinet Member meeting, informed the Humber LEP of its willingness to act as Accountable Body for the fund. Two further interests have been lodged with the Humber LEP and a decision on which local authority will take on this role will be made by the Humber LEP Board at its next meeting. The accountable body will receive a 2% management fee to administer the funds.

2.7 The Council has worked with partners to identify potential schemes that meet the funding criteria. Consideration will be given to which LEP it should be submitted to based on each LEP’s key priorities. Only schemes that meet both requirements will be put forward.

2.8 Due to the short timescales and information still awaited, an appendix will be tabled at the meeting which lists the ideas for schemes that have arisen from consultations with partners and the private sector.

### **3. OPTIONS FOR CONSIDERATION**

3.1 Option 1 – to endorse the schemes that meet the criteria outlined in paragraph 2.7 above and submit these to the appropriate LEP.

3.2 Option 2 – to only endorse the most deliverable schemes that will have immediate impact and payback return.

3.3 Option 3 – to do nothing.

### **4. ANALYSIS OF OPTIONS**

4.1 Option 1 – will ensure that the critical schemes in North Lincolnshire are identified and submitted to both LEP bodies for consideration for inclusion in their proposal for Growing Places Funds. The endorsement of the local authority will demonstrate that all these

schemes have a strategic impact and create economic growth across both LEP areas. It will also ensure that future schemes (which could be funded from the established revolving fund) are identified now for planning purposes and strengthen the proposals put forward by the relevant LEP.

- 4.2 Option 2 – by only endorsing those schemes that will have an immediate effect in terms of timescale for delivery and return of investment, it will significantly reduce the impact the Fund will have on North Lincolnshire and the strength of any proposal put forward by either LEP. It would not demonstrate the potential longevity of the revolving fund proposal and the longer term outputs.
- 4.3 Option 3 – if the schemes are not endorsed by the local authority for submission every scheme would need to be put forward on an individual basis. This would not demonstrate the wider impact for the area or the added value that could be created.
- 4.4 Option 1 provides the optimum position for schemes that will unlock economic growth and job creation for the area and provide greater added value for the wider region. It is therefore recommended that Option 1 is pursued.

## **5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)**

- 5.1 There are no financial implications in endorsing the schemes for submission to the Greater Lincolnshire and Humber LEPs for consideration to be included in their Growing Places Fund proposals. Staffing resource to contribute to the development of these proposals will be met from within existing resources for this process.

## **6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 CRIME AND DISORDER)**

- 6.1 There are no other implications at this stage.

## **7. RECOMMENDATIONS**

- 7.1 That the Regeneration Cabinet Member notes the process for submission of proposals by the Greater Lincolnshire and Humber LEPs to the Growing Places Fund.
- 7.2 That all the schemes identified which meet the criteria of the Growing Places Fund and priorities of the appropriate LEP be endorsed for submission to and consideration by the appropriate LEP as part of their Growing Places Funding proposal.

## HEAD OF REGENERATION AND PLANNING

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**Background Papers used in the preparation of this report - None**

## Appendix

| <b>Project Name</b>                          | <b>Project Description</b>   | <b>LEP Area</b> | <b>Priority</b> |
|--|--|-----------------|-----------------|
| Gauge Enhancements for ports                 | Rail improvements for improved access to ports                                       | Humber          | 0-1             |
| NEP7   | Road infrastructure to release industrial sites                                      | Humber          | 0-1             |
| South Humber Gateway Drainage                | Drainage infrastructure to open up development land                                  | Humber          | 0-1             |
| Mortal Ash Roundabout                        | New roundabout to improve access to existing businesses and open up development land | Humber          | 0-1             |
| Rosper Road Improvements                     | Improve access to Port   | Humber          | 0-1             |
| South Humber Gateway internal road structure | Internal road infrastructure to open up development land                             | Humber          | 1-2             |
| Logistics Park                               | Provision of Infrastructure  | Humber          | 1-2             |
| Engineering Academy                          | New training and education facility to meet local skills need                        | Humber          | 1-2             |
| Humberside Airport BIP                       | Provision of new facility  | Humber          | 1-2             |
| Sandtoft Airfield Access                     | Road improvements for improved access to Sandtoft                                    | Humber          | 1-2             |