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Report to: Business Investment Panel

Date: 11 December 2017

Subject: Growing Places Fund Loans Update

1 Purpose

- 1.1 To update members on progress in committing loans through the LEP Growing Places Fund (GPF).
- 1.2 To update members on the progress of one live loan with changed circumstances and ask for feedback.

2 Growing Places Fund (GPF)

- 2.1 The Growing Places Fund (GPF) has operated since 2012 offering loans to support projects that require additional capital funding to deliver jobs and economic growth and unlock stalled developments post-recession, within a 5 year or shorter timescale. Infrastructure projects have included expansion of business premises, site remediation and developing a new road junction as part of opening up a brownfield site for housing. Funds can also be used by a company to acquire or upgrade physical assets such as property, industrial buildings or equipment. A loan often completes a package of agreed finance that is not quite sufficient for a project that is ready to go in other respects. The fund is open to all businesses and organisations of any size based in or looking to invest in the city region. This includes the Local Authority Districts of, Barnsley, Bradford, Calderdale, Craven, Harrogate, Kirklees, Leeds, Selby, Wakefield and York. Applications from small and medium-sized enterprises, employing up to 250 staff, are particularly welcome.
- 2.2 The total GPF allocation was £35.5m; approximately £2m remains unallocated.
- 2.3 Private sector leverage has the potential to exceed 1:30 although it should be noted much of this is due to a large power plant that will be built at one project that is remediating brownfield land in Wakefield District. The Fund typically seeks private sector leverage on the basis of 1:3.

3 Live loans with changed circumstances or risk

- 3.1 There is one live loan with new circumstances to be noted by the Panel. This is as follows and the update is summarised at **Appendix 1**:

Project Ref	District	Change	Recommendation
102	Wakefield	Review of high risk status	Discuss

4 Legal Implications

- 4.1 The information contained in **Appendix 1** is exempt under paragraph 3 of Part 1 to Schedule 12A of the Local Government Act 1972 as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It is considered that the public interest in maintaining the content of the appendices as exempt outweighs the public interest in disclosing the information as publication could prejudice current and future decision making.

5 Recommendations

- 5.1 That the update on progress in committing loans through the GPF be noted.
- 5.2 That the update on the live loan with changed circumstances, as detailed at 3.1 and in **Appendix 1**, be noted and feedback given.