
Report to: Business Investment Panel

Date: 7 March 2019

Subject: **Growing Places Fund Loans**

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1. Purpose of this report

- 1.1 To update the Panel on progress in committing loans through the Leeds City Region Enterprise Partnership (the LEP) Growing Places Fund (GPF).
- 1.2 To update the Panel on two projects with changed circumstances.

2. Information

Growing Places Fund update

- 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 timescale of five years or less. The fund is open to all businesses and organisations of any size based in or looking to invest in the Leeds City Region. Applications from small and medium-sized enterprises, employing up to 250 staff, are particularly welcome.
- 2.2 The total original GPF allocation from Government was £35.5 million of which £3.498 million currently remains unallocated. The Fund typically seeks private sector leverage on the basis of 1:3.
- 2.3 Loan repayments are also held separately and can be reinvested in the future.
- 2.4 The programme has currently enabled the sustainment or creation of 824 jobs and the building of 718 homes of which 106 (14.7%) are affordable.

GPF Capital Position

- 2.5 The capital repaid by GPF loans offered through the programme to 31 January 2019 is £ 11.959 million.
- 2.6 The capital anticipated in the remainder of the 2018/19 financial year is £1,299,163. There is, as always, with GPF loans a risk that projects may not pay to the agreed repayment schedule.
- 2.7 The capital anticipated in 2019/20 is a further £638,775.
- 2.8 The total capital expected beyond 31 March 2020 has increased to £10,639,060 following drawdown of loan funding in January as scheduled for approved loan 209.

GPF Projects with Changed Circumstances

- 2.9 Two GPF projects have changed circumstances. Detail is provided for information and as this is confidential it is included in **Exempt Appendices 1 and 2**.

Project Ref	Total Loan	Recommendation
315 - changed	£800,000	Discuss
109 - changed	£4,000,000	To note

3. Financial Implications

- 3.1 The financial implications associated with the projects with changed circumstances in para 2.9 are set out in **Exempt Appendices 1 and 2**.

4. Legal Implications

- 4.1 The information contained in **Appendices 1 and 2** 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. Staffing Implications

- 5.1 There are no staffing implications directly arising from this report.

6. External Consultees

- 6.1 No external consultations have been undertaken.

7. Recommendations

- 7.1 That the update on progress in committing loans through the GPF be noted.
- 7.2 That the information provided in **Exempt Appendices 1 and 2** on projects with changed circumstances be noted and feedback given.

8. Background Documents

None.

9. Appendices

Exempt Appendix 1 – Project 315 - changed circumstances.

Exempt Appendix 2 – Project 109 – changed circumstances.