
Report to: Inclusive Growth and Public Policy Panel

Date: 4 December 2018

Subject: **Funding Opportunities**

Director(s): Alan Reiss, Director of Policy, Strategy and Communication

Author(s): Britta Berger-Voigt

1. Purpose of this report

- 1.1 To provide an overview of a number of current or potential funding streams to drive inclusive growth across the City Region.

2. Information

Business Rate Pool Funding

- 2.1 The Business Rate Pool (BRP) Committee approved a total of £7 million funding for programmes to drive inclusive growth across the City Region in 2018/19. This includes West Yorkshire wide programmes as well as projects lead by district partners. A summary is provided below, with a more detailed overview provided in Appendix 1.
- 2.2 The Panel expressed a view that these BRP related projects and their impacts should be monitored by Panel members and its supporting officer group.
- 2.3 The three West Yorkshire wide bids that have been awarded a total of £1.4m funding include:
- Skills related proposals, including:
 - a) Apprenticeship/Employment Hubs (£675,000 per year over 2 years)
 - b) Raising poverty of aspiration (£400,000 over next 2 years)
 - c) Poverty proofing the school day (£50,000 over next 2 years)
 - Digital infrastructure (£200,000)
 - Driving regional inclusive growth priorities (£70,000). A verbal update will be given on this funding line.

2.4 District related Inclusive Growth bids that are funded through the pool include:

- Bradford – Health and Social Care ‘One Workforce’ (£1,000,000)
- Calderdale - Delivering Inclusive Growth (£835,468)
- Harrogate - Enabling Housing Growth (£200,000)
- Kirklees - Investment Programme (£350,000)
- Leeds – Expansion of digital engagement (£1,200,000)
- Wakefield – Inclusive Growth is part of the ‘Waterfront’ bid (a total of £2,800,000 for whole bid)
- York – York City Brand (£520,000)

Growing Places Fund

2.5 The Growing Places Fund (GPF) was one of the first funding streams government made available to LEPs, with the Leeds City Region LEP receiving £35.5 million of capital funding in 2011/12 to use for loans and grants to unlock stalled developments that had been particularly affected by credit tightening.

2.6 These projects are not able to source full funding on the open market which often reflects that the type of project is more complex/has greater risk. The rationale for public intervention, therefore, is that providing finance on softer terms than the market is able to offer accelerates delivery of projects, and their outputs of new business premises, jobs and homes. Typical 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. The GPF loan often completes a package of agreed finance that is not quite sufficient for a project that is otherwise deliverable.

2.7 The fund is open to all businesses and organisations of any size based in or looking to invest in the city region. Applications from small and medium-sized enterprises, employing up to 250 staff, are particularly encouraged.

2.8 Since the GPF was launched in 2011/12, the policy context has evolved:

- Economic and social conditions and priorities have changed, with the City Region refreshing its Policy Framework and the emerging Local, Inclusive Industrial Strategy.
- Other public grant and loan funding streams have become available, including the Revolving Investment Fund, European Structural and Regeneration Funds and Growth Deal.

2.9 With significant capital receipts returned and more forecast to arrive by 2019/20, there is now the opportunity to consider future use of the funds. Further proposals for use of the fund for inclusive growth purposes will be considered by the Panel in line with its priorities and LEP Board at future meetings.

3. Financial Implications

- 3.1 Financial implications around the GPF will depend on the LEP Board decision on the way forward.

4. Legal Implications

- 4.1 There are no legal implications directly arising from this report.

5. Staffing Implications

- 5.1 There are no staff implications arising directly as a result of this report.

6. External Consultees

- 6.1 There are no implications directly arising from this report.

7. Recommendations

- 7.1 That the Panel notes current and potential funding streams to drive inclusive growth across the City Region.

8. Background Documents

- 8.1 None

9. Appendices

- 9.1 Appendix 1 – Business Rate Pool Projects – (Overview of inclusive growth related projects funded through the 2018/19 Business Rate Pool).