

Gill Hamer
LEP Director
Marches LEP
Cameron House
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Archers Way
Battlefield Enterprise Park
Shrewsbury
SY1 3GA

Your Ref:
Our Ref: DH/MP
Please ask for: Councillor D Hitchiner

1 July 2020

Dear Gill

GROWTH DEAL FUNDING AGREEMENTS

We were pleased that the LEP Board selected the Ross Enterprise Park and Hereford Enterprise Zone projects for funding approval on the 24th March 2020. However, we applied on the basis that the LEP intended to quickly appraise, approve and contract projects to enable a 12 month delivery period for 'shovel ready' developments.

As of the 29th June we still have not received the funding agreements for these two projects, meaning we have already lost 3 months, 25% of the original delivery period. I am afraid that this means it is now very unlikely the Ross Enterprise Project can now be delivered within the available time period that remains. The project we applied for requires a full 12 month on site programme, and the time lost means this is not now possible and should the project proceed it would result in a significant financial risk to the council.

It still remains possible to deliver the Hereford Enterprise Zone project in full, but only if we receive the funding agreement as soon as possible.

I realise that the LEP had been awaiting for confirmation from government of the Growth Deal allocation for 2020/21. I also appreciate that the coronavirus outbreak has led to unexpected work pressures on the LEP.

However it has now been some time since the Growth Deal budget allocations were clarified. I have heard a suggestion that another Local Authorities has already received drafts of their funding agreements for projects approved at the same time in March. If true this would be very disappointing.

I would ask that you please urgently issue the Hereford Enterprise Zone agreement, and that a discussion is held with council officers to see if there are any possibilities to extend the timeframe for delivering the Ross Enterprise Park project and include other suitable conditions.

Yours sincerely

**COUNCILLOR DAVID HITCHINER
LEADER OF THE COUNCIL**