

MARCHES LEP BOARD MEETING PAPER

Meeting Date:	7 th November 2019				
Agenda Item:	Item 8d				
Item Subject:	Growth Deal Programme: Open Call Process				
For:	Discussion	X	Decision	X	Information
Purpose:					
1) To update Board Members on progress of developing an open call for capital projects to mitigate any risks of potential underspend within the Growth Deal Programme and to seek approval for a two-stage application process.					
Recommendations:					
The Board is recommended to:					
1) Approve a two-stage process for an Open Funding Call as outlined in Appendix 1.					
2) Agree to the proposed timescales which will help to mitigate any risks around underspend and underachievement of deliverables.					
3) Agree the Commissioning Group representatives as set out in Appendix 1.					
Growth Deal Infrastructure Project Call:					
<p>At September's Board meeting a number of risks attributed to Growth Deal projects and their expenditure were highlighted and discussed. It was agreed that, should assurances not be provided around the Growth Deal funding for these projects, the LEP Board would seek to redistribute the funds towards the approval of new projects.</p> <p>To help mitigate the risk of potential underspend within the Programme the LEP Board agreed the LEP secretariat could work on an Open Call Process should any projects be unable to utilise their full allocations.</p> <p>To ensure a robust pipeline is ready and available should funding become available, a two-stage process is being proposed which will comprise of an Expression of Interest (Eoi) followed by an invitation to submit a Full Application if successful at Eoi stage. The process complies fully with the LEP's Accountability and Assurance Framework and will allow the LEP to gain an understanding of potential projects which align with its priorities and identify those projects which could spend within the given timescale. The 27th January 2020 Board meeting will provide an update and more clarity on available expenditure.</p> <p>A Flowchart is included in Appendix 1 which outlines the process, governance and timescales.</p> <p>As agreed at September's Board meeting, should any funds become available priority will be given to those Growth Deal 3 projects who had a reduction in grant, ensuring they receive their original allocation should it be required. These include the Hereford Cyber Security Centre, Flaxmill and Newport Innovation and Enterprise Package.</p> <p>Members are also reminded that, due to the nature of the Call process, Emergency Meetings may need to be convened to approve projects.</p>					
Financial implications:					
<ul style="list-style-type: none"> • If the LEP underspends against its Growth Deal allocation, this could impact on the level of grant provided by Government to the Marches LEP. • Should the call process be approved additional resources, including Independent Assessor and external legal support will need to be costed. LEP reserves should be able to cover these costs. 					

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Legal Implications:
<ul style="list-style-type: none">• N/A
Risks, opportunities and impacts:
<ul style="list-style-type: none">• By not receiving future Growth Deal allocations projects will not be able to deliver the projected scale of outputs.• Timescales of project development and delivery need to be carefully managed.• A two-stage project call will result in extra work for an already busy LEP team. Additional resources will need to be sourced along with an Independent Technical Adviser and external legal support which will be an additional cost for the LEP.

Appendix 1 – Growth Deal Flow Chart

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