



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 4.1</b>
<b>31 JULY 2019</b>	<b>PUBLIC REPORT</b>

**FOR APPROVAL AS ACCOUNTABLE BODY:**

- i. **GROWTH DEAL PROJECT PROPOSALS JULY 2019: LOCAL  
GROWTH FUND PROGRAMME UPDATE**

**1.0 PURPOSE**

- 1.1. To consider and approve the following Business Board recommendations in the Combined Authority's role as Accountable Body. A copy of the full report and appendices considered by the Business Board on 22 July 2019 is available to view at:

<https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/872/Committee/69/SelectedTab/Documents/Default.aspx>

<b><u>DECISIONS REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Chair of Business Board Portfolio Holder for Economic Growth</b>
<b>Lead Officer:</b>	<b>John T Hill, Director of Business and Skills</b>
<b>Forward Plan Ref: 2019/038</b>	<b>Key Decision: Yes</b>
<p>The Combined Authority Board is recommended to approve the following recommendations in its capacity as the Accountable Body for the Business Board:</p> <p><b>LOCAL GROWTH FUND PROGRAMME UPDATE</b></p> <p>a) Approve the submission of the Growth Deal monitoring report to Government to end Q1 2019/20.</p>	<p><b>Voting arrangements</b></p> <p>Simple majority of all members</p>

<p>b) Approve the proposed creation of a Capital Growth Grant scheme for small businesses using Local Growth Fund (LGF) and approve a £3m pilot programme and for Officers to run a procurement for a provider to deliver the pilot programme.</p>	
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## 2.0 BACKGROUND

- 2.1. The Growth Deal funds must be spent as capital by 31 March 2021 but programme outcomes can be delivered beyond 2021.
- 2.2. In addition to Growth Deal, the Growing Places Funds must be spent as capital but do not have a deadline for being spent

## 3.0 GROWTH DEAL PROGRAMME POSITION

- 3.1. At 30 June 2019, CPCA's Growth Deal programme has nine projects in delivery in 2019/20. Their contracted forecast spend total is £97.7 million.
- 3.2. The previously approved and allocated A428 road improvements project will now not be going ahead so the £9m allocated in the forecast for this project has been removed from forecast spend figures above and been added to the funds available in the current call.
- 3.3. The accumulative programme expenditure to the 30th June 2019 including completed projects is £85.3 million.

## 4.0 GROWTH DEAL MONITORING RETURN Q1 2019/20

- 4.1. The Business Board is required to submit formal monitoring returns to Government regarding Growth Deal performance and forecasts on a quarterly basis. The return for Q1 2019/20 will be submitted by the 23<sup>rd</sup> August 2019.
- 4.2. The **Appendix A** Table imbedded below shows the Financial Progress extracted from the programme dashboard which shows an accumulative total spend of £85.3 million as at the end of June 2019.



Appendix A Q1 1920  
Dashboard.pdf

- 4.3. Projects shown in Amber are delayed in delivery but are planned to complete by the LGF scheme end date. The project shown in Red is subject to further investigation to determine if it can still proceed to completion within the LGF spend deadline.

- 4.4. A summary of the Q1 2019/20 return as shown in **Appendix A** to this paper. The full return will be approved by the S151 Officer and the Board is asked to agree that it can be submitted to the Local Growth Fund monitoring team within the Ministry of Housing, Communities and Local Government.
- 4.5. **Appendix B** imbedded shows Growth Deal and Growing Places Fund Programme Position to 30 June 2019 in more detail.



Appendix B Q1  
Summary Draft.pdf

## **5.0 PROPOSED NEW CAPITAL GROWTH GRANTS FOR SMALL BUSINESSES**

- 5.1. On 22 July 2019 the Business Board agreed to recommend that the Combined Authority Board approve plans for allocating £3m for a pilot capital growth grant, with potentially more funding to follow this pilot up to a potential total of £15m of the LGF.
- 5.2. This proposed programme supporting smaller firms will effectively expand and replace the existing Small Grant scheme managed within the CPCA Growth Hub.
- 5.3. The parameters of this pilot for the new capital growth grant are proposed at a £10k to £100k range as a 50% grant intervention. CPCA Officers are planning the design and delivery of the scheme.
- 5.4. The level of potential funding has been proposed at £15m and this needs to be carefully mapped to understand the practicalities of managing assessment and award of anywhere between 150 and 1500 grants. Whilst this pilot for £3m will use LGF, the potential follow-on £12m will use a combination of LGF and Growing Places funding to allow this grant scheme to run alongside the separately proposed Growth Coaching and Inward Investment services due to run for three years from April 2020. It is expected that the provision of capital growth grants to firms engaged in growth coaching and as potential inward investors to Cambridgeshire & Peterborough, will create synergies between all three programmes that increase impacts.
- 5.5. The Officer resources to run this programme in house are not in place and for that reason to expedite starting this programme immediately, external programme support is required. To address this the Business Board recommends that the Combined Authority Board approve proposals for Officers to run a procurement process to appoint a best value provider to manage / administer this high volume/low value grant scheme.

## **6.0 EXISTING SMALL GRANT SCHEME UPDATE**

- 6.1 Following approval at the November Combined Authority Board meeting, a sum of £300,000 was awarded to this Scheme to run until 31<sup>st</sup> March 2021.
- 6.2 Since then eight applications to this scheme have been approved under delegated authority totalling £66,099, generating match funding of £366,400 and creating 13 new jobs.
- 6.3 This existing Small Grant Scheme will be ended and merged into the new Capital Growth Grant pilot if it is approved and a contractor procured to deliver it.

## **7.0 APPENDICES**

- 7.1. Appendix A: Report to the Business Board 22 July 2019: Local Growth Fund Programme Update
- 7.2. Appendix B: Local Growth Fund Programme summary Q1

<b><u>Source Documents</u></b>	<b><u>Location</u></b>
Combined Authority reports 28 November 2018	<a href="https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/915/Committee/63/Default.aspx">https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/915/Committee/63/Default.aspx</a>
Business Board reports 22 July 2019	<a href="https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/872/Committee/69/SelectedTab/Documents/Default.aspx">https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/872/Committee/69/SelectedTab/Documents/Default.aspx</a>