



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

Agenda Item No: 4.5

## Cambridgeshire Peterborough Growth Company Limited (Growth Co) Allotment of New Shares to the Combined Authority

To:	Cambridgeshire and Peterborough Combined Authority Board
Meeting Date:	27 July 2022
Public report:	Yes
Lead Member:	Mayor Dr Nik Johnson
From:	Alan Downton, Deputy Chief Officer, SRO Growth Works and Greater South East Net Zero Hub
Key decision:	No
Forward Plan ref:	n/a
Recommendations:	<p>The Combined Authority Board is recommended to:</p> <p>Give approval to the Cambridgeshire Peterborough Business Growth Company Limited (Growth Co) to issue 400,000 additional £1.00 shares to the Combined Authority in return for investment of the £400,000 of Recycled Local Growth Fund</p>
Voting arrangements:	A simple majority of Members present and voting

## 1. Purpose

- 1.1 The Business Board and Combined Authority recently awarded a £400,000 grant for investment from the Local Growth Fund (LGF) recycled budget to expand the inward investment service in the Growth Works contract.
- 1.2 The Board's approval is sought for the Cambridgeshire Peterborough Business Growth Company Limited (Growth Co) to issue 400,000 additional £1.00 shares to the Combined Authority in return for investing the £400,000 of Recycled Local Growth Fund awarded on 9 May 2022 by the Business Board and ratified at the Combined Authority Board meeting on the 27 June 2022.

## 2. Background

- 2.1 The Cambridgeshire Peterborough Business Growth Company Limited (Growth Co) was successful in its application to the recent call for projects issued by the Business Board to expand the inward investment service in the Growth Works contract utilising the LGF recycled funds.
- 2.2 The Cambridgeshire Peterborough Business Growth company Limited (Growth Co) was awarded £400,000 grant of capital funding from the first tranche call of LGF recycled funds
- 2.3 On 9 May 2022 the Business Board recommended three projects to the Combined Authority for award of funding, this following formal call for projects, this included the successful Growth co application for the £400,000 of recycled LGF funding
- 2.4 On 27 June 2022 the Combined Authority approved the Business Board recommendation for the award to Growth co of the £400,000 of recycled LGF funding.

## 3. Proposed Investment

- 3.1 The £400,000 grant funding going into the Cambridgeshire Peterborough Business Growth Company Limited (Growth Co) needs to be invested as shares to meet the requirements for the business Board call for projects which was specific to capital investment.
- 3.2 The use of capital funds invested to purchase shares is a previously utilised method for investing in Growth Co to provide the working funds to contract and fund delivery of the Growth Works Service and its associated outputs and outcomes.
- 3.3 In line with previous investment of LGF into the Growth co all shares in Growth Co held by the Authority will be managed by the Authority and the Authority will exercise all shareholder voting rights.
- 3.4 The value of the shares and any dividend will be ringfenced for the objectives of the Business Board as part of the Single Pot approach to the LGF.

## Significant Implications

### 4. Financial Implications

- 4.1 The £400,000 capital has been secured as part of the award of Recycled LGF and the share investment utilising the recycled LGF was part of the application from Growth Co which has been approved.

### 5. Legal Implications

- 5.1 Share purchase as part of capital investment has been approved previously by the internal legal team. The investment will be covered by adjustment to the existing shareholders agreement.

### 6. Public Health implications

- 6.1 The investment will support businesses moving in the Cambridgeshire & Peterborough region and the subsequent job opportunities will impact on the health and well-being of those employed.

### 7. Environmental and Climate Change Implications

- 7.1 There are no environmental or climate change implications of this investment, there may be opportunities for investment in organisation who are targeting climate change

### 8. Appendices

- 8.1 None

### 9. Background Papers

- 9.1 [Business Board paper 9th May 2022 agenda item 2.2](#)
- 9.2 [Combined Authority Board 27th June 2022 agenda item 4.2](#)
- 9.3 [Business Board Meeting 8th November 2021 - item 2.2](#)
- 9.4 [Business Board Meeting 10th January 2022 - item 2.2](#)
- 9.5 [Combined Authority Board 26th January 2022 - item 7.1](#)
- 9.6 [Business Board 9 May 2022 item 2.2](#)
- 9.7 [Combined Authority Board 8th June 2022 \(delayed to 27 June 2022\) item 4.2](#)