

## **Growing Places Fund**

### **Background**

The Growing Places Programme is an investment scheme totalling £6.3m. The investment sits alongside the Regional Growth Fund to the extent that the management and governance are closely linked. This ensures that the investment funds are properly complementary and are having the maximum impact.

The Growing Places Fund enables the delivery of otherwise stalled local infrastructure schemes in Cornwall and the Isles of Scilly. In addition, it provides the up-front investment needed to get development underway, with the flexibility to recycle funding for other projects as developments are completed.

### **Governance and Decision making**

In order that it discharges this role in an effective manner the LEP operates an assessment, risk management and performance monitoring process that aligns as much as possible with partner organisations such as CC and CDC. It has adopted a clear process that enables it to formally review the performance and management of the programme.

It is important to note that the funds have been allocated but that its inclusion here remains relevant for the purposes of transparency and assurance given longer term obligations to the funding body.

The GPF Delivery Plan is located at Appendix 15.1.

### **Accountability**

Having led the development of the bid the LEP decided that responsibility for delivery would rest with Cornwall Council who act as the accountable body and the organisation that issues the grant investment to projects. CC on behalf of the LEP undertakes full financial responsibility for delivering the contract. It ensures the correct processes, resources and balances are in place for successful delivery. CC provides DCLG & DfT with regular financial returns, indicating the commitment of investment in schemes and the details & timing mechanisms for its repayment.

The LEP retains responsibility for ensuring GPF is being delivered as intended and that any corrective action is taken if needed. In this context, CC reports regularly to the LEP Board.

In addition, the LEP has agreed that CDC (as CC's economic delivery arm) acts as the day to day manager for the GPF (including frontline business interface). This includes regular reports on performance, which includes the Monitoring Reports and Statements of Use made to CLG/DfT.

- Number & types of investments
- Financial commitments & cash flow
- Forecast of outputs against actual
- Forecast of outcomes

- Risk assessment for each investment
- Overview of the fund & its revolving capacity
- Overall risk fund assessment

### **Assessment and Risk management**

The processing of investment propositions are based upon certain standards and procedures that have been successfully tried and tested on other related programmes, which include RGF and ERDF.

- Expression of Interest (EoI) registered on website
- Initial appraisal by CDC
- Propositions considered as suitable (or not) by CDC
- Full application prepared by beneficiary
- Verification & financial appraisal by CDC
- Decision to endorse investment by Investment Panel
- Offer letter issued by CDC on behalf of CC
- Inclusion on spend report to LEP

In order to further minimise the financial risk, each successful applicant signs an extensive loan agreement before funds are released. This covers fees, charges, intellectual property, covenants and several other critical areas of agreement.

Independent firms of accountants may need to support & verify complex investments.