

**West of England Local Enterprise Partnership
Board meeting – 1 October 2019**

Local Growth Fund Progress Update

Purpose of the report

1. To report on progress with the delivery of the Local Growth Fund programme and the current position regarding spend within the required timeframe.

Recommendation

To note the Quarter 1 19/20 LGF dashboard, the forecast spend position and risks.

Background

2. A spreadsheet based update on progress with the delivery of the LGF programme is provided quarterly to the Cites and Local Growth (CLoG) Unit. This includes a dashboard which summarises progress with each project and the LGF programme overall.
3. Guidance requires that 'before submitting to CLoG, you must have appropriate sign off [of the dashboard] by the LEP Board (or Chief Exec if this is not possible in a particular quarter) and the Section 151 Officer.'
4. At the LEP Board meeting in January 2019 it was agreed that where reporting cycles align, then the dashboard will be provided to the LEP Board for approval, but where this is not possible sign off will be via the LEP Chair and Chief Executive.
5. The Quarter 1 19/20 dashboard, which is shown in Appendix 1, was signed off by the LEP Chair and Chief Executive and submitted to CLoG in September.

Current Dashboard

6. There remains a requirement from Government that all LGF funds are spent by March 2021. As would be expected given this end date, the LGF programme is now in a mature state and only 5 schemes remain to be fully approved. Recent steps have derisked LGF spend by March 2021 in particular the movement of the Quantum Technologies Innovation Centre out of the LGF and into the UK Shared Prosperity Fund (or equivalent) underwritten by the WECA Investment Fund. Further it is recommended to the Joint Committee in October that £4.6m of LFG funding for the implementation of MetroWest Phase 1 (planned in 21/22) is swapped with EDF funding for Cribbs Patchway MetroBus Extension.
7. The LGF is £11.8m overprogrammed which appears at a suitable level to manage the risk of slippage amongst the remaining schemes and be confident of full grant spend.

Not having to rely on a time extension, if offered, would also send a positive message to Government about our ability to manage devolved funding.

8. That is not to say that the programme does not require ongoing attention to ensure delivery and spend are achieved. To provide an overview, Table 1 shows the schemes within the programme that appear to represent a risk of full spend by March 2021. The risk rating is different from that shown in the dashboard in Appendix 1 as this shows the rating derived from changes since the last reported position.

Table 1: Scheme in LGF Programme Assessed as Presenting Red or Amber/Red Risk of Full LGF Spend

Scheme	Promoter	Status	Current Forecast		Spend Confidence RAG
			Completion Date	LGF Spend in 20/21 (% of Total)	
SGC Sustainable Transport Package	SGC	Approved	Mar 21	£1.16m (41%)	AR
A4018 Corridor Improvements	BCC	Programme Entry	Mar 21	£2.89m (93%)	R
Bath Quays Bridge	B&NES	Approved	Dec 20	£249k (13%)	AR
Composite Bridge Construction	SGC	Approved	Mar 21	£3.08 (61%)	AR
Umbrella	SGC	Approved	Mar 21	£1.5m (42%)	R
South Bristol Construction Centre	CoB College	Approved	May 21	£3.93m (66%)	AR
STEAM Centre	SGS College	Approved	Mar 21	£5.19m (81%)	AR
Digital and Creative Innovation Centre*	Bath College	Programme Entry	TBC	£9.07m (TBC)	R

* Note: The Digital and Creative Innovation Centre currently sits outside the programme (and the £11.8 overprogramming) with the position of this scheme to be reviewed once planning consent has been secured and design progressed.

9. For context the total forecast LGF spend in 20/21 for the first seven schemes above is £18m and the overall total across the entire programme for that year is £46m. Of this some £34m needs to be delivered to ensure full spend.
10. Whilst it appears that we are currently well placed to deliver full grant spend it is suggested that the LEP Board continues to receive periodic updates on the position. Officers will continue to keep progress against the overall LGF programme under review and recommend any relevant changes to the programme and/or funding swaps where relevant.

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