**The Growing Places Fund**

**Call for Proposals**

**Round 15**

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| **Managing Authority:** | **Staffordshire County Council of behalf of the Stoke on Trent and Staffordshire Local Enterprise Partnership (Limited (‘SSLEP’)** |
| **Call Reference:** |  **Round 15** |
| **SSLEP Area Indicative****Fund Allocation:** | **£0.28mn** |
| **Call Open:** | **Monday 01 September 2020** |
| **Call Closes:** | **23:59 on Friday 09 October 2020** |

# **Contents**

1. Introduction
2. SSLEP Vision, Ambition & Objectives
3. Call Context
4. Scope of the Call
5. Application & Appraisal Process
6. Application Checklist
7. Application Submission
8. **Introduction**

The Growing Places Fund (GPF) has been made available from Central Government to the Stoke on Trent & Staffordshire Local Enterprise Partnership Limited (SSLEP) in line with the following objectives (see Section 2 for more information about the SSLEP):

* To generate economic activity in the short term by addressing immediate infrastructure and site constraints and promote the delivery of jobs and housing
* To allow local enterprise partnerships to prioritise the infrastructure they need, empowering them to deliver their economic strategies
* To establish sustainable revolving funds so that funding can be reinvested to unlock further development and leverage private investment.

**1.1 Key Facts of the Growing Places Fund**

* It’s a loan.
* **Interest rate:** Nil as long as the scheme complies with State Aid rules. The benefit of a Growing Places loan over a bank loan is that it is interest free over a period of 2 years (subject to qualifying criteria). If interest has to be charged, this will be at State Aid compliant commercial rates with compound interest.
* **Repayment terms:** To qualify for the 2-year interest free period, repayment in full must be made 2 years after practical completion of the element(s) funded or the End Date specified in the Funding Agreement (whichever is the sooner). Any repayment term beyond this 2-year period will be subject to interest at commercial rates in accordance with the terms specified in the Funding Agreement issued.
* **Minimum loan value**: £50,000.
* **Maximum intervention rate:** 50% of scheme cost excl. land value if the developer already owns it; i.e. the scheme would need to cost at least £100,000. The intervention rate requested will need to be justified
* **Security**: 100% surety is needed; various forms of security are acceptable and these will be considered at appraisal stage.
* **Retrospective payments:** Eligible expenditure must be defrayed (cleared through the beneficiary’s bank) before it can be claimed from the fund. Claims are processed on a quarterly basis.
* **Monitoring & evaluation:** Carried out over a term as detailed in the Funding Agreement.
* **Publicity:** Acknowledgement of SSLEP funding on any scheme publicity.
* **Legal costs:** Each party is to cover its own legal costs with a limit on the SSLEP legal costs of £5,000. Any costs above this are to be borne by the applicant.
* **Arrangement / administration fee:** A 1% arrangement / administration fee will be invoiced prior to contracting.

# **SSLEP Vision, Ambition & Objectives**

**Our Vision, Ambition & Objectives: 2017-2030**

**“An economic powerhouse driven by the transformation of Stoke-on-Trent into a truly competitive and inspiring Core City and enabling the growth of a thriving economy throughout the connected county of Staffordshire where everyone has the opportunity to access a better job.”**

A connected area, with a competitive economy, which works collaboratively with local partners to complement their activities.

Located at the heart of the UK, working together with our neighbours, the emerging Core City of Stoke-on-Trent and the Connected County of Staffordshire form a growing economic powerhouse. Ambitious and achievable, our Strategic Economic Plan (‘SEP’) outlines how we will contribute at pace to the Plan for Britain.

Since we produced our previous SEP, the economy of Stoke-on-Trent and Staffordshire has changed significantly. The previous SEP was written at a time when the local and national economies were still feeling the effects of the economic downturn and the number of Stoke-on-Trent and Staffordshire residents who were unemployed remained very high. Since then we have been successful in generating a large number of jobs, increasing earnings and reducing unemployment to the point where we have been close to or at full employment for some time.

However, whilst productivity has been increasing in terms of overall levels of Gross Value Added (GVA), relative levels of GVA continue to lag behind other parts of the country and improving this situation is a key aim of our SEP, given that economic prosperity is fundamental to our local economy and to the quality of life of our residents. A vibrant and diverse economy, offering high-value, high-wage job opportunities and future prospects not only provides a more dynamic business environment, but also puts more money in the pockets of our residents.

**Ambition**

Our previous SEP outlined our ambition to grow our economy by 50% and generate 50,000 new jobs over a 10-year period. The strong growth in the number of jobs in the area means that we are easily on track to develop 50,000 new jobs by 2024. However, generating jobs to enable the previously large unemployed cohort of our residents to get work has meant that the types of jobs created have not yet enabled us to achieve our aim of growing our economy by 50%. We recognise that increasing productivity and supporting the creation of a greater proportion of high-value, high-wage job opportunities, whilst ensuring our residents can take advantage of these opportunities, will be vital to the development of our economy over the coming years.

Our previous ambition of 50:50:10 therefore remains a challenging target that we will continue to work towards. 50:50:10 - Our stated aim is to grow the economy by 50% and generate 50,000 new jobs in the next 10 years. 3.5 We are confident that our priorities will enable us to achieve this ambition and go a long way to helping to deliver the Government’s Industrial Strategy in Stoke-on-Trent and Staffordshire, with close alignment between our priorities and the foundations of the Industrial Strategy. Our priorities will contribute to achieving the aim of driving growth across the whole country, whilst we ensure we are driving growth across Stoke-on-Trent and Staffordshire.

**Objectives**

To achieve our ambition, our SEP is built around five interlocking objectives, which tie in with the foundations of the Industrial Strategy. Having tested out our approach, our overarching objectives remain the same as in our previous SEP, although our stronger focus on productivity has led us to make a number of changes to our strategic priorities for each objective, as set out in the following sections.

1. Stoke-on-Trent as a Core City and

2. A Connected County To be the one of the strongest performing economies in the UK. As a truly Connected County, and through the continued transformation of Stoke-on-Trent into a competitive and inspiring Core City, our ambitious plans will harness the rapid economic growth of the Midlands Engine and in particular the continued growth of nearby conurbations including Manchester and Birmingham.

3. Competitive Urban Centres To support our ambitious plans for growth, we will create the right mix of places that are attractive as a destination to live, work and visit, underpinned by the right infrastructure.

4. Sector Growth Our traditional industries will be transformed through innovation whilst we will ensure that growth in new higher-value sectors flourishes.

5. Skilled Workforce Our future economy will be underpinned by an outstanding skills system that focuses on the skills pathway of individuals as they go through life, enabling individuals to make *informed choices about the best route for their learning, career development, re-skilling and upskilling.*

1. **Call Context**

Any application for funding will be required to clearly demonstrate that it provides good value for money and supports Ministry of Housing, Communities and Local Government (‘MHCLG’) reportable outputs and SSLEP priorities as detailed in Section 4.

Applicants are advised to familiarise themselves with the detail of the SSLEP Partnership Strategic Economic Plan Strategy ***prior to*** submitting an outline application. Further information can be found on the SSLEP website:

https://www.stokestaffslep.org.uk/app/uploads/2019/01/SSLEP-Strategic-Economic-Plan-April-2018-.pdf

1. **Scope of the Call**

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| **Indicative fund allocation:** | Through this call the Growing Places Fund manager (Staffordshire County Council on behalf of SSLEP) expect to allocate up to £0.28mn in interest free loans (subject to qualifying criteria).There is no upper limit to the amount of loan that can be allocated, this will be subject to a number of criteria including demand, value for money etc. |
| **Minimum application level** | The minimum application value for this Call is £50,000. |
| **Duration of project activity** | Where a delivery period extends beyond the 2-year interest free loan repayment period, interest will be charged at commercial rates and as per the Funding Agreement issued to the beneficiary. |
| **Geographical Scope** | Eligible projects must be located in the Stoke on Trent and Staffordshire SSLEP area. Further information can be found on the SSLEP website:https://www.stokestaffslep.org.uk/tenders/growing-places-fund/ |
| **Specific Call Requirements** | This call looks to specifically support the key sectors highlighted in the SSLEP Strategic Economic Plan including advanced manufacturing, the visitor economy, business / professional services, construction, creative industries although the LEP is committed to support all of the regions’ existing businesses so calls will be considered from other sectors subject to qualifying criteria. |
| **Required Outputs** | **Ministry for Housing, Communities and Local Govt (MHCLG) reportable outputs:**Job creation Site acquisitionSite preparation Site accessSite protection Transport infrastructureAcquisition of buildings New office buildingsNew industrial buildings New residential buildingsRefurbish buildings Public realmBroadband UtilitiesEnvironmental improvements**SSLEP priorities:**Economic growth and job creation |
| **Call deadlines** | **Current bidding round:** 01st September 2020 – 09th October 2020. Submission deadlines:Stage 1. 23:59 on Friday 09 October 2020Stage 2. *by invitation subject to successful stage 1 application* |

1. **Application & Appraisal Process**

There are two stages to the Growing Places fund application process;

1. Outline Application and, if successful
2. Full Application.

Acceptance of an Outline Application to progress to full application stage does not in any way indicate or constitute an offer of Growing Places Fund loan.

Applicants must fully complete the online application form found at: <https://www.stokestaffslep.org.uk/tenders/growing-places-fund/>

which will be assessed by the Growing Places Fund management team against the qualifying criteria.

**Timescales**

After the bidding window closes, the application and appraisal process is as follows:

* Stage 1 applications that successfully pass the eligibility check within the submission deadline will be subject to an appraisal and due diligence assessment, including financial analysis. The GPF Steering Group will meet to review the submissions. Schemes will either be passed to develop their bid to a stage 2 application or rejected if the qualification criteria is not met.
* Where the application is successful, the applicant will be invited to submit a Stage 2 application within approximately 4 weeks of the initial deadline and will be called to an informal interview by the GPF Steering Group to present their proposal.
* Schemes that have successfully passed the due diligence process are then presented to the SSLEP Board for final acceptance for the agreed investment.
* A legal agreement will be forwarded to the applicant with the relevant documentation to secure the loan, which, once signed by both parties, would authorise eligible expenditure against the project.

In general, the above process can take up to 16 weeks between initial deadline and SSLEP agreement to invest. The length of time taken to complete the legal agreement lies primarily with the applicant.

1. **Application Checklist**

**Key supporting documentation**

**Stage 1**

The following list shows the suite of supporting documentation:

**Essential:**

• Application form

• Company accounts (last 3 years published accounts)

• Business plan including proof of demand and development appraisal

**Desirable** (in the most complete form available):

• Scheme plans

• Cost Plan

• Scheme programme (before & during construction)

• Documentary proof of planning status

**Stage 2**

The following list details the suite of documentation required:

• Application form

• State Aid declaration

• Company Insurances

• Detailed programme (before & during construction)

*Financial*

• Parent company accounts (if applicable, last 3 years published accounts)

• Proof of bank interest rates

• Credit worthiness documentation

• 3rd party financial investment information (if relevant)

• 3rd party land valuations (if relevant)

*Legal/procedural*

• Security for the loan

• Proof of land ownership and a report on title in the form provided with the stage 2 application

• Proposals for addressing any pre-commencement planning conditions

*Design/construction*

• Details of design team or consultant appointments

• All construction drawings

• Specification documents

• Survey reports and information

• Building control documents

• Updated cost plan and development appraisal

• Income forecast post completion until repayment of the loan

• Procurement proposals/process

# **Application Submission**

Please return the completed form to Sarah Simpson at the email address below by 23:59 on 28th September 2020

**APPLICATION ENQUIRIES**

Should you have any queries or require any further information in relation to the content of this form, please contact:

Sarah Simpson

External Funding Officer

Business & Enterprise

Staffordshire County Council

2 Staffordshire Place,

Tipping Street,

Stafford.

ST16 2DH.

Tel No: 01785 277706

E-mail: sarah.simpson@staffordshire.gov.uk