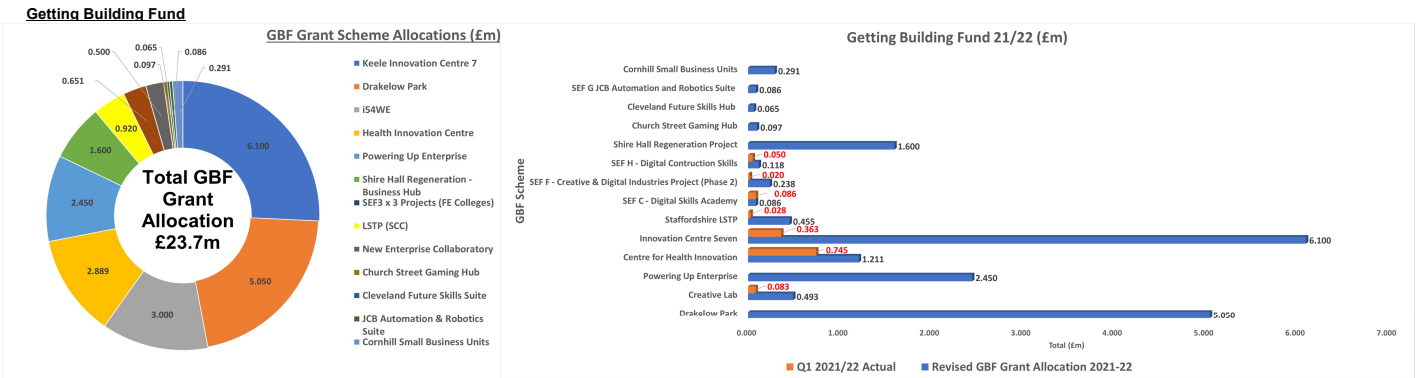


Stoke on Trent & Staffordshire Local Enterprise Partnership Finance Dashboard - Q1 21-22

LEP CAPITAL FUNDING

The Local Growth Deal, The City Deal & Getting Building Fund - Headlines				
	Total Grant Allocation (£m)	Spend to Date (£m)	% Spend To Date	Funding Remaining (£m)
Local Growth Deal Programme Funding Completed	£98.275	£98.275	100%	£0.000
The City Deal (as @ Q1 21-22)	£24.750	£20.488	83%	£4.262
Getting Building Fund (as @ Q1 21-22)	£23.700	£6.735	28%	£16.965



- \* The SSLEP was successful in securing **£23.7m** of new GBF to invest in 'shovel ready' schemes. The GBF Grant spend deadline is the **31st March 22**.
- \* During Q1, **Powering Up Enterprise** has since returned **£0.350m** of its approved **£2.8m** GBF Grant allocation to the LEP increasing the unallocated grant pot to **£0.539m**. SMPG has reallocated this GBF Grant pot funding against its prioritised GBF Contingency Schemes list to the following schemes:

	£m
Cornhill Small Business Units, Leek	£0.291
Church Street Gaming Hub, Stoke	£0.097
SEF G JCB Automation & Robotics Suite, Rochester	£0.086
Cleveland Future Skills Suite	£0.065
<b>Total GBF Reallocated</b>	<b>£0.539</b>
- \* In addition, **£0.524m** of other SSLEP grant funding is being utilised to supplement the reallocated GBF funding to support these **4** recently SPMG approved schemes.
- \* Discussions are currently taking place to formally passport, in agreement with BEIS, the **Drakelow Park** GBF funding to D2N2. SSLEP will continue to maintain oversight of scheme progress & be recognised as a major scheme contributor.
- \* At Q1 21-22, 2 BEIS GBF approved schemes - the **£5.050m Drakelow Park** & the **£2.45m Powering Up Enterprise** schemes - have yet to have their business cases approved. These 2 Business Cases, along with the 4 newly approved GBF Contingency schemes are expected to be presented to the SPMG for approval by **Sept 21**. The Funding Agreement for **Powering Up** is currently being drafted in preparation for SPMG's final approval of these 6 GBF funded schemes.
- \* To date, of the **15** BEIS approved schemes, **9** GBF business cases have been SPMG approved to a value of **£15.66m** (or **66%**) and are contracted with a further **6** business cases totalling **£8.04m** (or **34%**) are currently pending contract.
- \* At Q1 21-22, **£1.375m** (or **7%**) of GBF Grant funding has been spent to date. The Skills Equipment Fund (SEF) scheme **Digital Skills Academy** has now completed its draw down of its **£0.550m** GBF allocation.

AMBER	The GBF Programme currently has an overall AMBER RAG rating due to the tight timeframe to spend the grant & the timing of getting all Business Case approved & Funding Agreements in place. The GBF Programme is currently 'on course' to spend its £23.7m GBF Grant in full by the 31st March 22.
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<b>Local Growth Deal - Etruria Valley DFT Retained Scheme</b>	
* During 20-21, the Dept of Transport awarded <b>£18.5m</b> of DFT Retained scheme funding to SSLEP following the approval of the final Etruria Valley Highways business case. In 20-21, <b>£4.759m</b> of this funding was spent on the scheme resulting in <b>£13.741m</b> of LGD Grant, allowable under the grant t&cs, to be carried forward to 21-22.	
* At Q1 21-22, the Etruria Valley DFT Retained scheme is currently reviewing its schedule of works and revising its 21-22 quarterly grant spend profile, but has to date spent <b>£5.886m</b> of grant.	

GREEN	No Issues Arising - The Etruria Valley DFT Retained scheme is expected to spend its remaining balance of Local Growth Deal Grant within the agreed business case timeframe agreed with the DFT.
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<b>The City Deal</b>	
* The <b>Stoke on Trent District Heat Network (DHN)</b> is the one remaining scheme currently spending and claiming City Deal funding in 21-22.	
* At Q1 21-22, the DHN has to date spent <b>£0.058m</b> (or <b>1.3%</b> ) of its remaining <b>£4.32m</b> balance of City Deal Grant Funding	

GREEN	No Issues Arising - The DHN scheme is expected to spend its remaining balance of City Deal Grant funding by the 31st March 22.
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<b>CVEZ Enterprise Zone Investment (18-19 to date)</b>															
<table><tr><th></th><th>Value (£m)</th></tr><tr><td>Total Capital Expenditure</td><td>3.178</td></tr><tr><td>Total Revenue Expenditure</td><td>2.070</td></tr><tr><td>Interest Paid on Borrowings</td><td>0.235</td></tr><tr><td></td><td>5.483</td></tr><tr><td>Less, Total Business Rates Income</td><td>-3.012</td></tr><tr><td></td><td>2.471</td></tr></table>		Value (£m)	Total Capital Expenditure	3.178	Total Revenue Expenditure	2.070	Interest Paid on Borrowings	0.235		5.483	Less, Total Business Rates Income	-3.012		2.471	<ul style="list-style-type: none"><li>* <b>Key Risks</b> include the pace of delivery; road infrastructure may not accommodate predicted CVEZ growth; Viability of sites may be underestimated &amp; significantly the potential impact of any delays incurred with the delivery of the Etruria Valley Link Road.</li><li>* Anticipated CVEZ Business Rates is expecting to produce a Business Rates <b>surplus</b> by <b>30-31</b> (Source - CVEZ Discount Extension &amp; Revised SIP Report 18-03-21).</li><li>* On completion of the CVEZ, anticipated <b>business rates uplift</b>, per annum, is currently estimated at <b>£5.644m</b> with <b>£3.012m</b> or <b>53%</b> of cumulative business rates currently secured by the end of 20-21.</li><li>* Total SIP <b>CVEZ Capital Investment</b> now stands at <b>£45.870m</b>. At the year-end, actual cumulative spend to date is <b>£11.304m</b> against a planned 20-21 spend profile of <b>£28.30m</b>. In prior years, total cumulative CVEZ capital spend was <b>£8.4m</b>, so actual spend in 20-21 was <b>£2.9m</b>.</li><li>* Total CVEZ jobs target is estimated at <b>7,328</b>. Of these, <b>1,096 jobs (14.95%)</b> have to date been delivered to date with <b>249 new jobs</b> created.</li><li>* Total CVEZ floor space when completed is is estimated at <b>3,747,862 sq ft</b>. Of which, <b>705,500 sq ft (or 18.8%)</b> has been delivered to date.</li></ul>
	Value (£m)														
Total Capital Expenditure	3.178														
Total Revenue Expenditure	2.070														
Interest Paid on Borrowings	0.235														
	5.483														
Less, Total Business Rates Income	-3.012														
	2.471														
<b>**NO Q1 21-22 CVEZ BOARD UPDATE AVAILABLE**</b> All figures & narratives are as at Q4 20-21.															
<b>i54 Enterprise Zone &amp; Western Extension</b>															
* The initial borrowing to deliver the i54 Western Extension EZ development, which currently remains at <b>80%</b> occupied, is expected to be fully repaid by <b>April 26</b> . The SSLEP had agreed to invest up to <b>£10m</b> in developing the i54WE. The latest latest forecast suggests this amount will be <b>£8.19m</b> due to underspend on the scheme. <b>£6.537m</b> has already been invested by SSLEP utilising LGD/GBF Grant, and the balance paid using future i54 EZ business rates.															
GREEN	No issues arising for either the Ceramic Valley or the i54 Western Extension Enterprise Zones.														

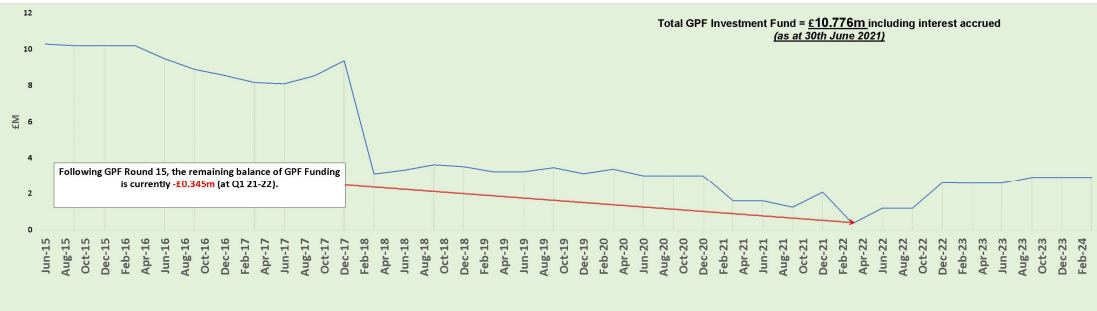
## LEP REVENUE & CAPITAL INVESTMENT FUNDING

### The Growing Places Fund (GPF) - Grants & Loans Facility

\* Since 2013-14, 3 grants totalling £7.855m in value, plus 14 GPF loans totalling £6.688m have been awarded by SSLEP to local SMEs - a **£14.543m** total investment to date which has leveraged in over **£80.539m** of Private Sector Investment in to the local economy over a 7 year period.

\* After taking into account all outstanding contractual loan payments & repayments the GPF Loans Fund currently holds an available 'rolling' fund balance of **£2.921m**.

\* The total value of GPF loans currently outstanding, i.e. in circulation, is **£3.325m**. The repayment of the **£0.450m** outstanding London House (Phase 3) GPF loan which should have been repaid in Q1 20-21, is currently with Legal Services awaiting resolution with the applicant. To mitigate risk, a repayment plan arrangement of c£0.015m per quarter is currently being considered to reduce the outstanding loan debt until the building asset has eventually been sold. Negotiations with London House; the GPF and Legal Services are currently on-going.



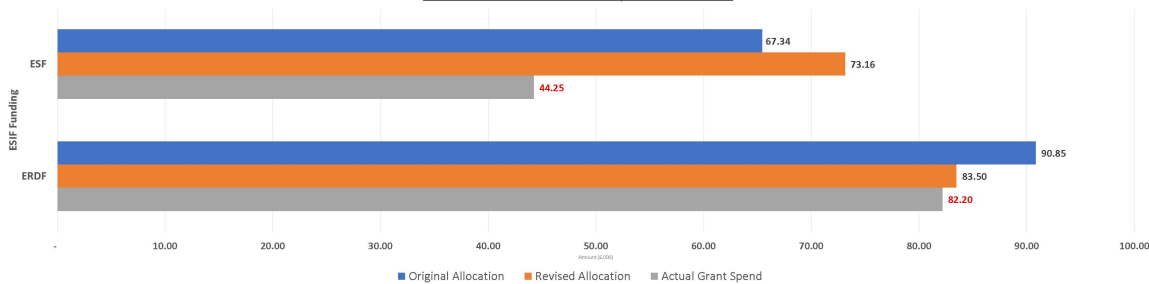
\* Following the last 'Open Call' (Round 15) made in 20-21, there were 4 applications made for GPF Loans. 1 applicant was rejected at Stage 1, whilst the remaining 3 have progressed to Stage 2, totalling **£0.345m** in loan value. All 3 loan bids passed Stage 2 approval at the **Dec 20 GPF Panel** and are still progressing to full Funding Agreement. However, there have been some delays in contracting due to the recent COVID pandemic restrictions. The 3 GPF loans currently awaiting Funding Agreement are as follows:-

- Dog & Bone Properties Ltd = £0.180m
- Meta Ltd = £0.050m
- Chaffinch Green Ltd = £0.115m

**AMBER** There are currently 3 GPF loans nearing GPF Loan Funding Agreement completion which are now expected to be 'signed off' during Q2 21-22 & loans paid out to respective applicants. Legal discussions remain on-going in respects to the settlement of the defaulted London House GPF Loan of £0.450m.

### ESIF Funding - European Regional Development Fund (ERDF) & European Social Fund (ESF)

ESIF Allocation & Actual Grant Spend - ERDF & ESF



\* At Q1 21-22, **£149.47m** or **95.4%** of the total current ESIF Programme (ERDF, ESF & EAFRD) funding allocation has, up to May 21, been committed to projects with **£126.45m** or **81%** of this total committed funding sum claimed to date.

\* The ESIF Programme currently remains on target to commit its remaining theme allocations by its revised commitments deadline and to have all grants claimed by **30th June 23** to ensure all contracted project spend is financially completed by **Dec 23**.

#### ESF - European Social Fund

\* Of the revised **£73.2m** total ESF allocation, **£67.3m** or **91.9%** of this has now been committed as at May 21 and **£44.3m** of this grant has been claimed to date. **£54m** of this sum is to be delivered through 3 national 'Opt In' Funding Agency & the Big Lottery (Building Better Opportunities). In comparison, the **national average** is **c76%** for ESF commitments as at end of May 21. Expressions of interest for a 2nd phase of the ESF Programmes by the DWP's The Skills 'Opt In' Prog were submitted during 20-21. DWP & Big Lottery 'Opt In' applications are still yet to be processed. Any returned funds will go to the **National Reserve Fund**, but due to the on-going COVID pandemic, this has now been postponed indefinitely as Gov't refocuses & diverts funding in response.

#### ERDF - European Regional Development Fund

\* Of the original **£90.9m** ERDF allocation, **£7.3m** was returned to the **National Reserve Fund** following the final call in Autumn 19, reducing the LEP's ERDF allocation to **£83.5m** or **91%** of the previous ESIF funding allocation.

\* As at May 21, ERDF remained at a high level of commitment of **£82.2m** or **98.4%** of its revised total ERDF funding with many projects now contracted & 'in delivery'. In comparison, the **national average** remains at **c82%** for ERDF commitments. The PCR process for contracted projects has meant that some project grant allocations have been reduced and in other limited cases grant has been brought forward to accommodate demand. An example of this is the Grant for Growth Programme which has accelerated ERDF draw down due to high volume of grant applications.

\* With ERDF grant commitment being high, grant spend or grant claimed claimed is now the critical factor to retain the ERDF allocation in full although ERDF monies are now being re-prioritised due to the pandemic. Updated programme management info is usually reported to each ESIF Committee providing the actual grant position each quarter. No ESIF Committees has taken place since Nov 19, however, a written update was provided in late **May 21**. This important role for the LEP ESIF Committees to continue to monitor spend to ensure contracted projects remain on course and to profile.

\* As at 31st May 21, total **ERDF & EAFRD** claimed to date by applicants remains at **£53.32m** or **63.9%** of the revised **£83.5m** total ERDF allocation.

\* Any remaining allocations after the full application stage will now feature in a **National ERDF Reserve Fund** calls targeted at COVID response actions. Already allocations, made in 20-21, of **£1.1m** & **£0.84m** were made available to the SSLEP area for the **Reopening the High Streets Safely & SME Restart and Kickstarting Tourism**. These short term Grant funding allocations reflect the economic needs & challenges facing the SSLEP area as well as it's EU Transitional Area Status Programmes respectively.

\* The **Reopening of the High Streets Safely** funding has now been fully claimed and paid to the Districts. In total, over 700 applications were made to the new SME Restart & Tourism Kick Start Programmes & grants awarded to 220 businesses. By the end of this short term funding Programme, **£0.31m** (**31%**) of the **£0.84m** grant funding had been committed and spent. This funding Programme has now closed and the remaining, unspent grant allocation retained by Gov't.

#### EAFRD - European Agricultural Fund for Rural Development

\* Applications (mainly for rural businesses) to the EAFRD Prog closed 18 months ago. However, EAFRD Grant committed stands at **£3.1m** or **97%** of the SSLEP's **£3.2m** allocation. Grants claimed remains on track although, to date, only **£0.8m** has been claimed by the end of May 21.

**GREEN** There remains a 'high level of confidence' that the balance of ESIF funding is 'on course' to meet the grant commitments deadline (TBC by Gov't due to impact of Covid) & the grant spent by **30th June 23**, subject to any Gov't national review of uncommitted ESIF Funding being undertaken to refocus financial resources on the pandemic.

LEP REVENUE GRANT FUNDING

LEP Revenue Grants 2021-22

LEP Revenue Grant

CAREERS & ENTERPRISE

CORE FUND GRANT

GBF CAPACITY GRANT C/WD BALANCE

GROWTH HUB GRANT

PEER NETWORK GRANT

SKILLS ADVISORY PANEL

Forecast Spend

Actuals to Date

Grant Allocations

Total (£)

0100,000200,000300,000400,000500,000600,000

SSLEP DRAFT Core Fund Budget (£0.899m) : £0.093m or 18.5% Spend to Date

At the April 21 SSLEP Executive, a proposed 21-22 LEP Core Budget was discussed and it was agreed that the budget would be reviewed by the new LEP CEO and brought back to the Board for approval, following sign off by the A&F Committee. Following this review, the CEO has advised that the Core Budget be increased by £0.110m from current LEP Reserves, to enable the LEP Secretariat's capacity to be increased sufficiently to meet growing work and reporting demands & has proposed the outline budget as detailed below:-

	Budget (£.)	Actuals (£.)	Variance (£.)
Staffing - SSLEP Secretariat	500,890	6,450	-494,440
LEP Premises Costs	21,300	-	-21,300
LEP Operational Costs	377,280	86,275	-291,005
Gross Expenditure	899,470	92,725	-806,745
Funded by:			
Core Fund Grant	- 500,000	-	500,000
Funding Contributions (Local Authorities)	- 203,310	-	203,310
SSLEP Reserves Funding	- 196,160	-	196,160
Total Income Funding	- 899,470	-	899,470

The June 21 Board challenged the need to expand the LEP Secretariat's capacity and agreed to set up a Working Group with the CEO to review the LEP's current workload & reporting requirements; its staffing capacity and will report back to A&F Committee & the Board its recommendations and finalise the Core Budget to be set in 21-22.

Subject to final 21-22 Core Budget approval, a LEP Core Budget forecast will be reported on the Q2 21-22 Finance dashboard.

Any Core Fund Budget underspend will be transferred to the LEP's Core Fund Reserve at the year-end to support future Strategy & Programme development and to build the capacity of the LEP's Secretariat to support the LEP's various workstreams.

AMBER

No issues arising respects to spend but, at this stage, no final agreed budget currently in place. Any realised underspend of the Core Budget will be carried forward on the LEP balance sheet to 22-23.

Careers & Enterprise Grant (£0.m) : £0.m (or 0%) Spend to Date

Careers Hub and Networks - Financial position TBC

RED

Careers Hub and Networks Financial Position has yet to be confirmed for 2021-22.

Annual Growth Hub Grant (£0.537m) : £0.139m (or 25.9%) Spend to Date

This Grant is used to support the further development of Growth Hubs to aligned to the Gov't's commitment to ensure that businesses across have access to high quality advice & guidance via Growth Hubs and to further simplify access to Business support. The 21-22 Growth Hub Grant Spending Plan has been approved by BEIS in April 21.

For 21-22, the GH Grant has been substantially increased following BEIS' decision to further expand GH support to businesses post Brexit and to aid both Economic and Business recovery from the covid pandemic. The annual GH Grant has since been merged the former GH Supplementary Grant to give a £0.537m grant allocation for 21-22.

To date £0.139m (or 25.9%) of the grant has been claimed and received during Q1 21-22.

GREEN

No issues arising. The Annual Growth Hub Grant is expected to be fully spent in 2021-22.

Getting Building Fund Capacity Grant (£0.041m 20-21 Grant Carry forward): £Nil Spend to Date

In 20-21, MHDCLG awarded an £0.080m 'one off' non ring fenced revenue grant to the SSLEP. Of this sum, £0.039m was spent last year and the remaining £0.041m balance of grant was carried forward into 21-22.

The remaining £0.041m grant carried forward is to be spent on the Hatch Rengeris consultancy contract that supports and advises on the LEP's current GBF Programme. At Q1 21-22, none of this grant carry forward has been spent to date.

GREEN

No issues arising. The remaining carried forward balance of Getting Building Fund Capacity Grant is expected to be fully spent in 2021-22.

Peer Network (£0.210m) : £Nil Spend Claimed to Date.

In 21-22, the SSLEP secured a further allocation of £0.210m in Peer Network funding which is expected to be fully spent by the 31st March 22.

The SSLEP is currently utilising this grant funding to recommission (or extend) the current Peer Network contract with the Staffordshire Chamber of Commerce at a contract value of £0.188m and the remaining £0.022m balance of funding is expected to be levied as an admin fee to cover operational & contracting costs. This renewed Chamber of Commerce contract is expected to support 14 Peer Network cohorts at £15k per cohort during the course of 21-22.

The Grant's guidance stipulates that claims are to be made monthly in arrears with the LEP expected to make its 1st claim in Sept 21 when sufficient sessions have been delivered, invoiced and paid against the new Staffordshire Chamber of Commerce contract.

As at Q1 21-22, no grant reimbursement claim has yet been submitted to BEIS.

GREEN

No issues arising. The Peer Network Grant is expected to be fully spent in 2021-22.

The Skills Advisory Panel Grant (£0.075m) : £Nil Spend Claimed to Date.

For 21-22, the 3rd year of Skills Advisory Panel (SAP) funding, Gov't has approved a further £0.075m in SAP Grant to enable & encourage SAPs to continue to increase its analytical capability; increase their local influence & their ability to address local skills challenges & to grasp local skills opportunities.

An annual SAP Plan and Memorandum of Understanding (MOU) has yet to be agreed & set by the SAP Panel which is then to be formally approved by the Dept for Education (DoE). The deadline to submit both the MOU & SAP Plan to the DoE is the end of July 21.

At Q1 21-22, no SAP Grant has been spent to date. However, at this stage, it is expected that this revenue grant will be fully spent in year.

GREEN

No issues arising. The Skills Advisory Panel Grant is expected to be fully spent in 2021-22.