

SSLEP GROWING PLACES FUND UPDATE

December 2022

Original GPF Budget Allocation (March 2012)

Total GPF Allocation	£11,462,668
Capital	£10,593,330
Revenue	£869,338 (currently stands at £300,388)

Allocation awarded in grant -

Project 1	£2,400,000
Project 2	£2,960,000
Project 3	£2,673,429
TOTAL	£8,033,429

Headlines –

Total loan value awarded	£6,522,500 against a total loan budget of £2,559,901
Average loan awarded to date	£501,730
Total private sector match (loans only)	£95,745,840
Total jobs profiled as created	929**
Total jobs profiled as safeguarded	45**
Average cost per job	£7,020**
Floorspace created (sq ft)	Office = 67,948 Warehouse / Commercial = 423,475 Hotel Bedspace = 140
Housing	394

** includes estimate 450 indirect FTE for one project not live yet, excludes two additional projects

- The Growing Places Fund has seen the repayment of ten project loans to date and one part payment of a further project, amounting to £4,507,500.
- Two projects are currently progressing through the due diligence / contracting process, amounting to £1,580,000 loan.
- One project, has defaulted on the timely repayment of their loan. A revised Funding Agreement was issued on 12/08/2022 by Staffordshire County Council legal services, with the arrangement of a repayment plan at £15,000 per quarter. The first payment was made in October 2022. Interest will continue to be charged on the outstanding debt at 4% over base rate until the outstanding amount is cleared in full.

- A 1% administration fee has been applied from round 13 projects. The charge is applied at the time of acceptance of the loan to avoid the ringfencing of funds for projects that do not progress. To date £15,800 has been received in respect of this.
- Lessons learned – a project which defaulted on the loan was attributed to the fact that a Parent Company Guarantee was utilised as security which was insufficient when relying on this clause to recover a loan repayment. A lessons learnt principle has therefore been applied to future loans issued under the GPF scheme whereby security must be on a capital asset with minimum charge position of second place.

Current Position of the Fund

The outgoing CEO of SSLEP, requested that the Growing Places Fund loan scheme be frozen pending the LEP review and the SITREP report that was commissioned in 2021. There have therefore been no further calls since Round 15. Taking the committed projects out of the available budget there is currently **£942,862** available to allocate as loans.