

GPF reinvestment approach (Working Draft for Discussion)

*This draft report is being circulated to Strategic and Federated Board members, for comment, one month in advance of the next Strategic Board meeting to help ensure that all partners are comfortable with the process and the agreed timescales. The final decision on the process will be taken at the Strategic Board meeting on the **4th October 2019**.*

*Any substantial comments should please be sent to SELEP by the **18th September 2019** to enable inclusion within final version of this report, to be published on the 20th September 2019, prior to the Strategic Board meeting on the 4th October 2019.*

1. Purpose

- 1.1 The purpose of this report is to seek approval from the Strategic Board (the Board) for the approach and timescales for the next round of Growing Places Fund (GPF) reinvestment.
- 1.2 GPF is a capital loan fund aimed at unlocking barriers to economic growth. As set out within the detail of this report, it is proposed that GPF should continue to operate as a recyclable loan scheme.
- 1.3 Based on the repayment schedule for existing GPF projects, a total of £20.724m will be available for investment through this latest call for projects. *The amount of GPF available will reduce if GPF repayments are not made by existing projects as per the expected schedule set out in Appendix 1.*
- 1.4 An open call of projects will be issued for projects to bid for between £250,000 and £3.5m, with projects being required to meet the GPF eligibility criteria, detailed in Table 2 of this report. Projects will be prioritised based on the assessment criteria, set out in Table 3, for the available funding.
- 1.5 The proposed process ensures engagement with Federated Boards at each stage of the process, prior to consideration by the SELEP Investment Panel and a funding decision by the Accountability Board.

2. Recommendations *(Proposed recommendations to be made to Strategic Board following informal consultation on the proposed GPF prioritisation and reinvestment approach).*

- 2.1 The Board is asked to:
 - 2.1.1 **Agree** the process for the reinvestment of GPF as set out in this report
 - 2.1.2 **Note** that interest will be charged at two percent below the Public Works Loan Board Rate, or zero – whichever is higher
 - 2.1.3 **Note** that the availability of GPF for reinvestment is dependent on GPF repayments being made for existing projects.

3. Growing Places Fund context

- 3.1 The Growing Places Fund (GPF) was established by the Ministry for Housing, Communities and Local Government (MHCLG) (formerly the Department for Communities and Local Government) and the Department for Transport (DfT) in 2011 to unlock economic growth, create jobs and build houses and help 'kick start' development at stalled sites. The fund works as a recycled capital loan scheme regenerating funds based on the repayment schedules agreed for the projects already financed.
- 3.2 A total of £49.2m GPF capital funding was made available to SELEP by central government and it is within SELEP's gift to determine how this funding is reinvested. Unlike Local Growth Fund (LGF), there are no expectations from central government on the timescales for spending GPF.
- 3.3 Whilst the repaid GPF could now be spent as a capital grant, the Board has previously agreed that GPF should continue to be applied as a capital loan to offer an alternative funding stream to LGF.

- 3.4 The recyclable nature of the pot has enabled a total of £54.5m to be invested across 21 projects to date. Information about the types of projects that have been supported to date can be found [here](#).
- 3.5 A number of repayments were made during 2018/19 and further repayments are expected during 2019/20, as set out in section 4 below. This provides the opportunity for the reinvestment of this funding in new projects. This report sets out a proposed approach for the reinvestment of GPF.

4. Amount of funding available

- 4.1 The schedule of repayments for existing GPF projects is agreed within the credit agreement between Essex County Council, as SELEP Accountable Body, and the lead County/Unitary authority for each project.
- 4.2 Any changes to project repayment schedules require approval from the Accountability Board. Strategic Board approval is also required where a change to the repayment schedule has been made on more than one occasion.
- 4.3 Risks have been identified to the repayment schedule for Discovery Park and Sovereign Harbour. *The two projects will be considered by the Accountability Board in September 2019.* Amendments to the repayment profile for these two projects will require approval from the Accountability Board, but given this uncertainty, this risk has been factored into the forecast of the amount of GPF available.
- 4.4 A 15% reduction will also be applied to the GPF available to help reduce the risk to the availability of funding should GPF repayments not be made as per the profile agreed by the Accountability Board. This 15% reduction does not fully mitigate the risk of default on expected repayments. In light of this risk to the available GPF, all funding awards will be subject to sufficient GPF being available for reinvestment.
- 4.5 Taking account of the GPF repayments made to date and future expected repayments to be made in 2019/20 and 2020/21, the total amount of GPF currently available for reinvestment is £20.724m, of which £15.595m will be available in 2020/21 and a further £5.129m in 2021/22.

GPF available for reinvestment

	2019/20	2020/21	Total
GPF funding available (opening balance minus committed GPF payments for existing project)	8.323		8.323
Expected repayment to SELEP	10.607	7.758	18.365
Risk to repayments Discovery Park	-0.408	-1.624	-2.032
Risk to repayment Sovereign Harbour	-0.175	-0.100	-0.275
GPF available for investment	18.347	6.034	24.381

GPF available with 15% reduction applied	15.595	5.129	20.724
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5. Charging of interest

- 5.1 In 2017, the Board agreed that GPF should continue to operate as a low interest rate loan and on the basis of loans being awarded at two percent below the Public Works Loan Board Fixed Loan Maturity Rate or zero percent - whichever is higher.

- 5.2 The exact rate of interest will be determined on the day of the credit agreement being finalised between Essex County Council, as the SELEP Accountable Body, and the lead County/ Unitary Authority.
- 5.3 The credit agreement will set out the agreed loan repayment schedule for the project. If the project fails to meet the agreed repayment schedule detailed within the loan agreement, interest will be charged at the full PWLB rate from the point of default on the loan repayment.

6. Approach to reinvestment

- 6.1 The prioritisation and award process will take place in three stages as follows:
 - Stage 1 – Federated Area assessment, sifting and banding of projects by Strategic Fit, based on the Expression of Interest
 - Stage 2 – ITE assessment and scheme prioritisation by the SELEP Investment Panel, based on a Strategic Outline Business Case
 - Stage 3 – SELEP Accountability Board funding decision
- 6.2 The process has been designed to respect the priorities of the Federated Boards and ensure their input throughout the process. Whilst this does increase the timescales for the GPF priorities being agreed, it is recognised that Federated Board input is critical to the success of the process.
- 6.3 As with all SELEP investments, value for money and deliverability will form part of the assessment criteria.

7. Types of project that are being sought

- 7.1 The overall objectives of GFP are to support development at stalled investment sites, improve skills and learner numbers, to accelerate the delivery of new houses and support the creation of new jobs.
- 7.2 GPF projects should be aligned with SELEP's strategic objectives as set out in [SELEP's Economic Strategy Statement, Smarter- Faster – Together](#). The Economic Strategy Statement sets out five main priorities:
 - Priority 1 – Creating ideas and enterprise
 - Priority 2 – Developing tomorrow's workforce
 - Priority 3 – Accelerating infrastructure
 - Priority 4 - Creating places
 - Priority 5 – Working together
- 7.3 At the outset of the process, Federated Boards may wish to agree certain SELEP priorities which their federated area which to target investment towards. Any specific Federated Board strategic priority objectives should be agreed in September 2019 so applicants are aware of the strategic priorities of their respective Federated Area at the outset of the process.

LGF3b Projects

- 7.4 Projects which have previously been brought forward through the LGF3b process may be considered for GPF. If the project now states that it can utilise loan funding and has the mechanism available to repay the loan then the project must be removed from the LGF3b process unless robust justification can be provided to explain why the project should continue to be considered for both funding streams.
- 7.5 Through the feedback on the LGF3b process there was a suggestion that a proportion of future funding streams should be ring-fenced for skills projects. As very few skills projects have been brought forward through previous rounds of GPF, it is not proposed that any GPF funding should be ring fenced but that skills projects be considered based on merit relative to other projects. No criteria have been included

which require projects to demonstrate match funding as the inclusion of this criteria may deter skills projects from being brought forward for this funding stream.

8. Stage 1 – Expression of Interest - Federated Area assessment, sifting and banding of projects

- 8.1 Led by Federated Areas, the first stage in the process will be to identify potential projects through an open call for projects and the completion of a GPF Expression of Interest, included in Appendix 2.
- 8.2 The Expression of Interest should be submitted to the appropriate lead officer for each Federated Board area. If scheme promoters are unclear of the appropriate contact within the Federated Area then applications should be sent to hello@southeastlep.com and they will be directed to the appropriate local contact.
- 8.3 Scheme promoters should make initial contact with the appropriate lead officer for the Federated Area by the 18th October 2019, to inform them of their intention to make a funding bid.
- 8.4 Federated Boards will lead the initial assessment, sifting and banding of projects, based on the agreed eligibility and prioritisation criteria. In particular, Federated Boards are asked to consider the alignment of the project with SELEP and local area strategic growth objectives. Through this assessment, Federated Boards are asked to band projects as per the categories set out in Table 2 below. A standard template will be provided by SELEP to support this local assessment of projects by Federated Areas.
- 8.5 For projects to progress to the next stage of the process, submission of a business case to SELEP, they must receive S151 sign off from the lead County or Unitary Authority for the project. The sign – off is to confirm that:
 - 8.5.1 The Local Authority agrees to act as the promoting authority for the project and enter into credit agreement;
 - 8.5.2 The Local Authority has completed a Credit Check for the project and confirms that the funding bid is from a creditable source with the means to repay the loan
- 8.6 It has previously been agreed that the risk of non –repayment sits over the fund. This means that local authorities that promote projects by third parties are required to demonstrate that they have exhausted all reasonable steps to secure the repayment the loan but are not liable to make the GPF repayments if the project fails and the third party is unable to make the loan repayments in full.
- 8.7 As part of the local authority consideration of any GPF application, the lead County/Unitary Authority must be satisfied that the scheme promoter has the financial capability to repay the loan. It is advised that the promoting County/Unitary Authority should complete a credit check on any third party project promoters to consider whether there is a genuine need for GPF investment and whether the third party has the means to repay the loan.
- 8.8 If local authorities wish to recover the cost of completing the credit checks through an application fee, applicants must be informed at the outset of the process.
- 8.9 The ITE will be invited to attend each of the Federated Board meetings at which the Federated Board priorities are being agreed, to listen and understand the priorities of the Federated Boards to feed into their assessment at the next stage of the process.
- 8.10 The ITE will also meet with the lead officer for each Federated area to help federated areas to identify any showstopper issues before the projects progress to Stage 2. These meetings will take place in November 2019. The ITE will be commissioned to spend half a day with each Federated Area to review the EoI and help inform the advice to be provided by the federated area lead officers to their respective Federated Boards about the suitability of projects for the funding opportunity.

Table 2 - Banding of GPF projects

Band	Description
<p style="text-align: center;">A</p> <p>Considered as a very high priority for the respective Federated Board</p>	<ul style="list-style-type: none"> - Very strong fit with SELEP and local economic growth objectives. These projects are considered to be of highest priority for the respective Federated Board. - The investment will have a direct impact in creating new jobs and/or homes through enabling a specific named development (which has been identified as part of local development policies, plans or investment strategies), safeguarding jobs and/or will deliver skills benefits - Presents an overwhelming case for investment - Meets all the GPF eligibility criteria, set out in Table 3 - No showstopper issues or risks have been identified - These projects will progress to stage 2
<p style="text-align: center;">B</p> <p>Projects have been supported by the respective Federated Board for progression to the next stage of prioritisation across SELEP.</p>	<ul style="list-style-type: none"> - Strong fit with SELEP and local economic growth objectives - The investment will have a direct impact in creating new jobs and/or homes through enabling a specific named development (which has been identified as part of local development policies, plans or investment strategies) safeguarding jobs and/or will deliver skills benefits - Meet all the GPF eligibility criteria - No showstopper issues or risks have been identified - These projects will progress to stage 2
<p style="text-align: center;">C</p> <p>Projects have been supported by the respective Federated Board for progression to the next stage of prioritisation across SELEP.</p>	<ul style="list-style-type: none"> - Aligns with SELEP and local economic growth objectives - The investment will have a direct impact in creating new jobs and/or homes through enabling a specific named development (which has been identified as part of local development policies, plans or investment strategies) safeguarding jobs and/or will deliver skills benefits - Meet all the GPF eligibility criteria - No showstopper issues or risks have been identified - These projects will progress to stage 2, but applicant should consider whether they wish to invest the resource required to develop a business case given that the project has not been identified as a top priority for the respective federated board.
<p><i>To help ensure a proportionate approach to the funding call relative to the amount of funding available, it is advised that the total value of projects included in bands A, B and C should not exceed the amount of GPF available (£20.724m).</i></p>	
<p style="text-align: center;">D</p>	<ul style="list-style-type: none"> - Meet the eligibility criteria - Other projects have been identified as being of higher priority for the respective Federated Area in terms of fit with SELEP and local economic growth objectives (Amber to Red) - These projects will <u>not</u> progress to Stage 2.

E	<ul style="list-style-type: none"> - Projects that do not meet the eligibility criteria and/or: - Showstopper issue has been identified - These projects will <u>not</u> progress to Stage 2
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- 8.11 To help ensure a proportionate approach to the funding call relative to the amount of funding available, it is advised that the total amount of GPF sought for projects included in bands A, B & C should not exceed the amount of funding available (£20.724m).
- 8.12 Once Federated Areas have considered a project’s fit with the eligibility criteria, it is expected that Federated Areas will consider the project’s strategic importance to help determine which bids should progress to the next stage and the appropriate banding of those bids. Any showstopper issues or risks should also be considered at this stage of assessment.
- 8.13 No thresholds will be defined by SELEP as to the number of project that should be included within each band but a sensible approach must be adopted by federated areas to ensure the strategic priorities of the federated area are made clear.
- 8.14 Federated boards should provide a paragraph per project to justify the strategic fit of the project and the banding of the project.
- 8.15 When considering each project’s fit with the eligibility criteria, a pass/fail approach should be applied.

Table 3 - Eligibility Criteria for GPF investment

Projects put forward for GPF must:	
Align with SELEP’s objective to support economic growth	As detailed in section 7 above.
Require capital loan funding investment	GPF can only be used for capital loan investment and cannot be used as revenue.
Projects should be between £250,000 and £3,500,000	Projects outside of this threshold may be considered by exception where there is an overwhelming strategic case and high level of support from the respective Federated Board.
Identify benefits which are expected to exceed the project costs	An assessment of project benefits relative to the amount of GPF sought and total project cost, with consideration for the total GPF available for investment across SELEP. <i>For the project to be approved by the Accountability Board at a later stage of the process then it will be required to demonstrate high value for money with a Benefit Cost Ratio of over 2:1.</i>
Demonstrate an ability to deliver the project following the legal requirements for investment of public funds	This will include consideration for the requirement to follow public procurement regulations to the extent which is applicable and demonstrate that the investment does not constitute State Aid.
Only support projects which can demonstrate an ability to repay the GPF loan by 31st March 2026.	The EoI should provide details of a suitable mechanism by which the GPF will be repaid. Prior to the submission a project business case to SELEP, the lead partner authority will be required to complete appropriate financial checks at the local level to ensure that the scheme promoter has the means to repay the GPF loan. For example, this should consider existing loans taken out by the scheme promoter which may impact on the

	ability of the scheme promoter to repay the GPF loan.
Must receive support from the respective Federated Board and the lead County Council/ Unitary Authority	Deadlines have been set out in Table 5 for the submission of Business Cases to the relevant Federated Board. The project must be supported by the respective Federated Board and the lead County Council/ Unitary Authority for the application to be considered by SELEP.

9. Stage 2 – Scheme prioritisation across SELEP

- 9.1 Once the Federated Boards have assessed, sifted and banded their GPF submissions, those successfully banded in A, B or C will be invited to develop a Strategic Outline Business Case (SOBC) using the SELEP template. This SOBC will be assessed by the Independent Technical Evaluator (ITE) based on the criteria detailed in Tables 4.
- 9.2 An initial draft of the assessment of each of the projects will be completed by the ITE and shared with the scheme promoter. A teleconference or face to face meeting will then be organised with each of the scheme promoters to discuss any clarification questions and to provide the opportunity for the scheme promoters to respond to the feedback.
- 9.3 The ITE will update their assessment based on the additional information provided and will prepare a report of their findings, which will present projects in bands based on their fit with the assessment criteria.
- 9.4 The ITE assessment will be shared with each of the Federated Board's in sufficient time to allow for Federated Boards to prepare any written comments to be made available to the Investment Panel and considered as part of the preparation of the final version of the Investment Panel papers.
- 9.5 The information to be presented to the Investment Panel will include:
- The amount of GPF funding available, relative to projects expenditure profile;
 - The outcome of the ITE assessment against the agreed criteria; and
 - The banding and assessment of the Strategic Fit by the Federated Board
 - The ITE assessment of the need of intervention, viability, deliverability, expected benefits, pace of benefit realisation and contribution to the establishment of a revolving fund
 - Federated Board written comments on the ITE assessment
- 9.6 A greater weighting will be placed on the Strategic Fit of the project, as determined by the Federated Boards. The role of the ITE assessment is to provide technical input and help identify any project constraints which may impact on the suitability of project for GPF funding, based on the criteria detailed in Table 4 below.
- 9.7 The Investment Panel will be convened to agree the priorities to progress for the £20.724m GPF available.

Table 4 - Details of the RAG rating for sections of 'high' importance

Section	RAG rating	Scoring Guide
Strategic Fit (Federated Boards to assess at Stage 1)	This section will be assessed by the Federated Areas at Stage 1, based on the projects fit with SELEP and local economic growth objectives.	
	Green	Awarded to business cases which: <ul style="list-style-type: none"> - show that the investment will have a direct impact in creating new jobs and/or homes through enabling a specific named development (which has been identified as part of local development policies, plans or investment strategies), safeguarding jobs and/or will deliver skills benefits; - demonstrate a close fit with SELEP and local economic growth objectives; and - presents an overwhelming case for investment
	Amber	Awarded to business cases which: <ul style="list-style-type: none"> - show that the investment will have direct economic benefits by supporting the delivery of new homes and/or jobs, safeguarding jobs and/or skills benefits; - demonstrate some alignment with SELEP and local economic growth objectives; and - demonstrates a compelling case for investment.
	Red	Awarded to business cases which: <ul style="list-style-type: none"> - do not fit with SELEP objectives
Need for Intervention (ITE to assess)	This section assesses the need for public sector intervention	
	Green	Awarded to business cases which: <ul style="list-style-type: none"> - strongly demonstrate the need for public sector intervention;
	Amber	Awarded to business cases which: <ul style="list-style-type: none"> - demonstrate the need for public sector intervention;
	Red	Awarded to business cases which: <ul style="list-style-type: none"> - do not clearly demonstrate the need for public sector intervention;
Viability (ITE to assess)	This section should justify the total cost of the project including any assumptions made, the GPF required, the additional sources of funding and how secure they are.	
	Green	Awarded to business cases which: <ul style="list-style-type: none"> - justify the costs of the project including any assumptions made; - identify the timescales over which the GPF required; - demonstrates that any additional funding sources which are required to deliver the project have been secured; - explains how the ongoing operation costs will be met;
	Amber	Awarded to business cases which: <ul style="list-style-type: none"> - justify the costs of the project including any assumptions made; - identify the timescales over which the GPF is required; - identify the additional sources of funding;



Section	RAG rating	Scoring Guide
		<ul style="list-style-type: none"> - creates some uncertainty as to the availability of other funding sources which are required to deliver the project (eg sources of funding have been identified but have not been secured in full); - explains how the ongoing operation costs will be met;
	Red	<p>Awarded to business cases which:</p> <ul style="list-style-type: none"> - do not provide sufficient evidence that the project costs have been considered in detail; - does not provide sufficient detail as to how other project costs will be met; - creates uncertainty as to the availability of other funding sources which are required to deliver the project (eg funding sources have not been secured in full);
Deliverability (ITE to assess)	This section should provide evidence of the planning status, any additional approvals required, the property ownership and any legal requirements that might delay the project or benefits realisation.	
	Green	<p>Awarded to business cases where:</p> <ul style="list-style-type: none"> - evidence is provided that potential delivery constraints and project dependencies (including, but not limited to, land and property acquisition, planning approval and environmental constraints) present a low risk to the project cost and the project delivery timescales
	Amber	<p>Awarded to business cases where:</p> <ul style="list-style-type: none"> - evidence is provided that potential delivery constraints and project dependencies (including, but not limited to, land and property acquisition, planning approval and environmental constraints) present a low to medium risk to the project cost and the project delivery timescales
	Red	<p>Awarded to business cases where:</p> <ul style="list-style-type: none"> - evidence is provided that potential delivery constraints and project dependencies (including, but not limited to, land and property acquisition, planning approval and environmental constraints) present a medium to high risk to the project cost and the project delivery timescales
Expected Benefits (ITE to assess)	This section should show the impacts that the project is likely to have, the extent to which the stated project benefits are dependent on the delivery of the GPF project and the scale of benefits	
	Green	<p>Awarded to business cases which:</p> <ul style="list-style-type: none"> - demonstrate substantial project outcomes, including delivery of new jobs/homes, safeguarded jobs and skills benefits which are expected to outweigh total project costs - provide robust, well-evidenced analysis of the estimated number of jobs and homes that the scheme is going to support, jobs safeguarded or skills benefits delivered
	Amber	<p>Awarded to business cases which:</p> <ul style="list-style-type: none"> - demonstrate project outcomes, including delivery of new jobs/homes, safeguarded jobs and skills benefits which are expected to outweigh total

Section	RAG rating	Scoring Guide
		<p>project costs</p> <ul style="list-style-type: none"> - provide some evidence of the estimated number of jobs and homes that the scheme is going to support, jobs safeguarded or benefits to skills levels, but the analysis is insufficiently transparent
	Red	<p>Awarded to business cases which:</p> <ul style="list-style-type: none"> - demonstrate project outcomes, including delivery of new jobs/homes, safeguarded jobs and skills benefits, but which are not expected to outweigh total project cost - do not provide sufficient evidence of how the number of jobs and homes that the scheme is going to support or skills benefits have been estimated, and there is insufficient evidence to justify assumptions
Pace of benefit realisation (ITE to assess)	Promoter will need to explain how quickly the project benefits will be realised once the investment has taken place	
	Green	<p>Awarded to business cases which:</p> <ul style="list-style-type: none"> - demonstrate that the benefits of the project will follow immediately following project completion - have low risk of the project benefits not materialising
	Amber	<p>Awarded of business cases which:</p> <ul style="list-style-type: none"> - have project dependencies identified which may impact on the pace of the project benefits coming forward - have low to medium risk of the benefits not materialising, at the pace detailed in the business case
	Red	<p>Awarded to business cases which:</p> <ul style="list-style-type: none"> - have project dependencies/risks which may impact on the pace of the project benefits coming forward - have medium to high risk of the benefits not materialising, at the pace detailed in the business case
Contribution to the establishment of a revolving fund (ITE to assess)	Promoters will need to provide evidence of how they intend to repay the loan together with an anticipated timetable for repayment by 31st March 2026. This will include the consideration of the local financial check and the ability of the project to repay the GPF loan.	
	Green	<p>Awarded to business cases which:</p> <ul style="list-style-type: none"> - Commit to a 5 year loan repayment schedule and no concerns raised through company credit checks.
	Amber	<p>Awarded to business cases which:</p> <ul style="list-style-type: none"> - Commit to a 5 year loan repayment schedule and no concerns raised through company credit checks but some concerns were raised over the certainty of the proposed repayment mechanism.
	Red	<p>Awarded to business cases which:</p> <ul style="list-style-type: none"> - Cannot commit to repay the loan by 31st March 2026 or issues have been raised though company credit checks

10. Stage 3 – SELEP Accountability Board Funding Decision

- 10.1 Once the Investment Panel have agreed the priorities for investment of the £20.957m GPF currently available, the project promoter will be required to strengthen the business case to include a full value for money assessment.
- 10.2 The ITE will complete a further review of the business case and the recommendations will be made to the SELEP Accountability Board for the funding decision to be made. The Accountability Board dates for 2020 will be confirmed at the Accountability Board meeting in September 2019.

11. Timescales for GPF Investment

- 11.1 Table 5 sets out the proposed timescales for GPF prioritisation. The proposed timescale for the GPF prioritisation are proposed based on the forward schedule of Federated Board meeting. Any shortening of the process will require additional Federated Board meetings to be called across the four federated areas.
- 11.2 Whilst it was originally intended that the GPF prioritisation approach would be agreed by electronic procedure, Federated Board recruitment processes are currently underway within certain federated areas. The consideration of this process by electronic procedure would be particularly challenging for new board members that have not yet attended a Federated or Strategic Board meeting. The current timescales enable Federated Board's time to meet and consider the process prior it being agreed at the next Strategic Board meeting on the 4th October 2019.
- 11.3 Agreeing the process at the Strategic Board meeting on the 4th October 2019 will also help ensure that any views on the process can be considered by all Board Members and can be fed into the process from the outset.

Table 5 – Proposed timescales for GPF prioritisation

	Approval of GPF prioritisation approach by the Strategic Board	4 th October 2019
	Launch of GPF funding round - Open call for projects	7 th October 2019
	Potential scheme promoters to make initial contact with Federated Area leads	18 th October 2019
Stage 1	Expression of Interest submission to Federated Area leads	1 st November 2019
	Review of Expression of Interest by Federated Areas (Including half day meeting between Federated Area officers and ITE)	November 2019
	Federated Board decision on schemes to be nominated to SELEP	6 th December 2019 ¹
Stage 2	SOBC submission to SELEP (Development of SOBCs should commence as soon as Fed Board decision has been made on priorities).	24 th January 2019
	SELEP ITE review complete 27 th Jan – 14 th Feb – First review by ITE 14 th Feb – 28 st Feb – clarification questions and meetings scheme promoters 28 st Feb – 13 th March – Second review by ITE and draft ranked list	February - March 2020

¹ Exact date will depend on the schedule for Federated Board meetings in November 2019.

	Attendance of Federated Boards by ITE (for comment) EBB & TES – 16 th March 2020 KMEP – 17 th March 2020 OSE – To be confirmed.	March 2020
	Written comments back from Federated Boards Written comments to be included as an attachment to the Investment Panel papers.	27 th March 2020
	Investment Panel meeting to agree GPF pipeline	April 2020 (exact date to be confirmed)
Stage 3	Accountability Board meeting to sign off Business Case and take final funding decision.	Accountability Board dates for 2020/21 yet to be agreed.

12. Accountable Body comments

- 12.1 It is a requirement of the SELEP Assurance Framework that allocations of GPF are made following an open call for funding of projects and prioritised in line with the approach agreed by the Board.
- 12.2 All GPF loans will be made on the basis of the standard credit agreement to the respective upper tier local authority partners who are responsible for putting in place reciprocal arrangements with the delivery body, as appropriate.
- 12.3 To mitigate any risks to the fund and to the Accountable Body, GPF funding allocations will only be made when sufficient GPF funding is available. It is the responsibility of the local authority partner to take appropriate measures to ensure repayment of the loan, but they are not liable to make the GPF repayments if the project fails and the third party is unable to make the loan repayments in full.
- 12.4 As part of the local authority consideration of any GPF application, the lead County/Unitary Authority must be satisfied that the scheme promoter has the financial capability to repay the loan.

13. Appendices

- 13.1 Appendix 1 – Project repayment schedule
- 13.2 Appendix 2 – GPF Expression of Interest
- 13.3 Appendix 3 – Standard Credit Agreement template. *Credit agreement to be put in place between Essex County Council, as the Accountable Body for SELEP and promoting local authority. A back to back agreement will also be required between the promoting local authority and any successful third party applicants.*