

Local Enterprise Partnership – Funding Update

Over the past year, the Heart of the South West Local Enterprise Partnership has been developing long-term plans to maximise economic growth our area. Like the other 38 Local Enterprise Partnerships (LEPs) in England, the Heart of the South West is now in discussions with central Government to sign off the plans and agree funding allocations for our area.

Although there is much still to be finalised, we do know there are likely to be a number of funding opportunities arising over the coming months. The LEP's European Structural and Investment Fund (ESIF) strategy outlines how the LEP proposes the government's notional allocation of EU funds for 2014-2020 is distributed to the Heart of the South West area. The ESIF outlines areas of activity rather than specific projects but, as things stand, our area's notional allocation includes £117.5m combined from the European Regional Development Fund and European Social Fund, and £15.9m from the European Agricultural Fund for Rural Development over a six-year period. Once the strategy is finalised, an annual implementation plan will be drawn up outlining how projects will be commissioned against activities. A new commissioning group for our area, with representatives from a wide variety of sectors, will be convened by the Department for Communities and Local Government to ensure that projects align with the strategy and are fairly and openly commissioned. Government guidance for the formation of these groups is due this month and the ESIF strategy is expected to be approved in late autumn, paving the way for projects to start in the new financial year.

Proposals for Local Growth Deals, which include bids for a share of the Government's Local Growth Fund 2015/16, were submitted by the 39 LEPs at the end of March. The majority of the money in the pot was put in by the Department for Transport and a significant proportion of skills capital money was put in by Department for Business, Innovation & Skills, with the rest of the pot being made up of match funding for ESIF and some housing funds. However, LEPs were also encouraged to put forward any projects with the potential to transform the local economy that could be delivered in 2015/16. Negotiations on individual Growth Deal agreements are scheduled to start in June and be completed before parliament rises for the summer. The nature of the process and funding suggests the outcome will be project based and there will be little devolved discretion beyond procuring contractors. Delivery and governance of Growth Deal funds will depend on the mix of projects financed but funds will be held by an accountable, public sector body and procurement will be according to public procurement rules.

These funding opportunities are just part of the overall picture. The Heart of the South West's, overarching strategy, the Strategic Economic Plan, sets out the LEP's local priorities for investment to maximise prosperity over the medium to long term. To find out more about the ESIF strategy, the Growth Deal submission and the Heart of the South West's strategic economic plan, visit www.heartofswlep.co.uk

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June 2014