
Title:	Capital Programme Sub Group Update
Purpose:	To inform Board Members of the revised process for the reallocation of Getting Building Funds and to receive feedback on the first assessment of the Buckinghamshire Recovery Investment Fund.
Recommendation(s):	i) That members note the process for reviewing the expressions of interest in the Getting Building Fund and delegate to the Capital Programme Sub Group the process of project prioritisation, prior to final approval. ii) For members to note the initial review of the Buckinghamshire Recovery and Investment Fund and Local Recovery Fund as part of the lessons learned from the Covid support programmes undertaken over the past 12 months and to endorse the return of unspent funds to the LEP reserve.
Impact on Risk Register:	The process for reviewing the Getting Building Fund is in line with both the local and national assurance frameworks and supports the development of a stronger pipeline of investable projects.

1 Getting Building Fund

The Capital Programme Sub Group met on the 18th March to consider the list of applications that have been received in response to the recent open call for projects for the reallocation of £2.8m Getting Building Fund capital grant. Eighteen applications have been received with a total ask of approximately £14 million GBF grant and combined project value of approximately £43 million. An initial assessment has been completed by the executive team using the key criteria of delivery, strategic alignment and impact and projects listed according to their initial 'RAG' status in the attached summary, **Appendix 1**.

Timescales for appraisal and selection are critical to ensure that all GBF grant funds are fully committed to projects and spent by the MHCLG required deadline of 31st March 2022. It was agreed that the first cut of projects, shown in green and totalling £7,768m pre appraisal, are immediately taken forward for independent appraisal by appointed specialists Hatch Associates. The Board is invited to endorse this selection and delegate authority to the Capital Sub Group to agree the evaluation process and make the final recommendation to LEP Board following full independent appraisal of the selected projects.

In parallel and subject to change order requirements if applicable the Board is also invited to consider Buckinghamshire Council's application for an additional £300k GBF grant for the Bucks Broadband project as an exceptional case. This is due to unexpectedly high demands for the very successful voucher scheme currently funded by the Getting Building Fund, which is oversubscribed. An additional grant would increase provision from 270 to 370 premises and could be implemented immediately as part of the existing project but a decision is time critical.

The National Film and Television School (NFTS) was awarded £2.99 million GBF grant and has recently advised that they are in negotiations with the land-owner of the adjacent commercial premises having made a formal offer to acquire the site. NFTS has advised that £2m private capital has provisionally been secured for the project but the funding that was expected from DCMS is not forthcoming. The NFTS has therefore submitted a further application requesting £1m additional GBF grant in anticipation of reaching agreement on the purchase price of between £6m and £7m. Given that the negotiations with the landowner have not yet been concluded we need to highlight that the NFTS project is at risk and the original £2.99m GBF grant award may need to be reviewed with a view to reallocation to alternative projects. This would increase the available GBF pot from £2.8m to circa £5.8m. At the beginning of the year we asked the NFTS management to keep us closely informed on the negotiations with the landowner and set a deadline of March 31st for clear progress to be shown on the potential purchase agreement and match funding position.

2 Local Growth Fund Update

The independent LGF Programme Evaluation has been completed by Hatch Associates and the final draft report was presented and discussed at the Capital Programme Sub Group on 18th March. **Appendix 2.** The Capital Programme Sub Group has requested final amendments to the draft report so that it is completed and approved by the Board ahead of LEP mid-year review 2021 and to ensure the key findings and recommendations support the LEP Review process and highlight the success of the LEP in the delivery of the LGF investment programme.

3 Buckinghamshire Recovery and Investment Fund & Other Covid Support Funds

The first 6 monthly questionnaire assessment has been undertaken of the Buckinghamshire Recovery and Investment Fund (BRIF) and attached as **Appendix 3** to this report. This highlights the early success of the programme in safeguarding and creating new jobs in Buckinghamshire. In total an allocation of £1.6m was made to 62 Businesses this has already created an additional 54 new jobs and safeguarding a further 71.5 jobs. The Capital Programme Sub Group also requested that a geographical analysis of the projects supported should be presented and this will be included as part of the updated review.

The survey of businesses supported by the scheme showed that 78% have seen an increase in sales as a result of the BRIF investment and over 1/3 have already seen a boost in productivity or efficiency. A further follow-up survey will be undertaken in August 2021.

There is a total underspend of £116,054 in the BRIF programme the Sub Group wanted clarity on the choice between returning this underspend to the LEP Reserve or investing in applications that we were unable to support in 2020.

On balance it is recommended that these funds are returned to the LEP Reserve due to the relatively small allocation of underspend and the disproportionate level of administration required to manage, review and choose applicants given that it is now 9 months since the original applications were submitted. Furthermore, in the intervening period there has been in excess of £15m of government funding provided via Buckinghamshire Council to provide direct business support grants to Buckinghamshire businesses.

Board members are asked to:

- i. Note the process for reviewing the expressions of interest in the Getting Building Fund and delegate to the Capital Sub Group members the process for approving the prioritised projects for funding for final approval by this board.**
- ii. Note the initial review of the Buckinghamshire Recovery and Investment Fund and Local Recovery Fund as part of the Lessons learned from the Covid support programmes undertaken over the past 12 months and endorse the return of underspent funds to the LEP Reserve.**