

Solent Prosperity Fund Large Project Workshop



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Economic Profile

- Most urbanised area in southern England outside London
- 290 miles of coastline
- **Three islands and three peninsulas** present unique challenges and opportunities that influence economic growth
- 1.3m people and 42,000 businesses
- £29bn GVA
- **Productivity 8.4% below the regional average** and just under half a percent behind the UK average
- **Three international gateways:** Port of Southampton; Portsmouth Naval Base and Commercial Port; Southampton International Airport
- Strategic sectoral strengths (including **globally significant clusters for marine autonomy and robotics**) in maritime, visitor economy, logistics advanced manufacturing and defence. We also have specialisation in advanced technologies (including photonics, advanced materials, computer science and the life sciences).
- **Globally leading marine and maritime sector**



Setting the Context



- Local Enterprise Partnerships are asked by Government to focus on enhancing productivity across their economies, through the development and delivery of Local Industrial Strategies.
- Solent LEP has agreed three Local Growth Deals with Government, securing £182.92m of **capital** funding.

	Growth Deal 1 (2014)	Growth Deal 2 (2015)	Growth Deal 3 (2017)	Total
<i>Local Growth Fund Award</i>	£124.8m	£27.1m	£31.02m	£182.92m

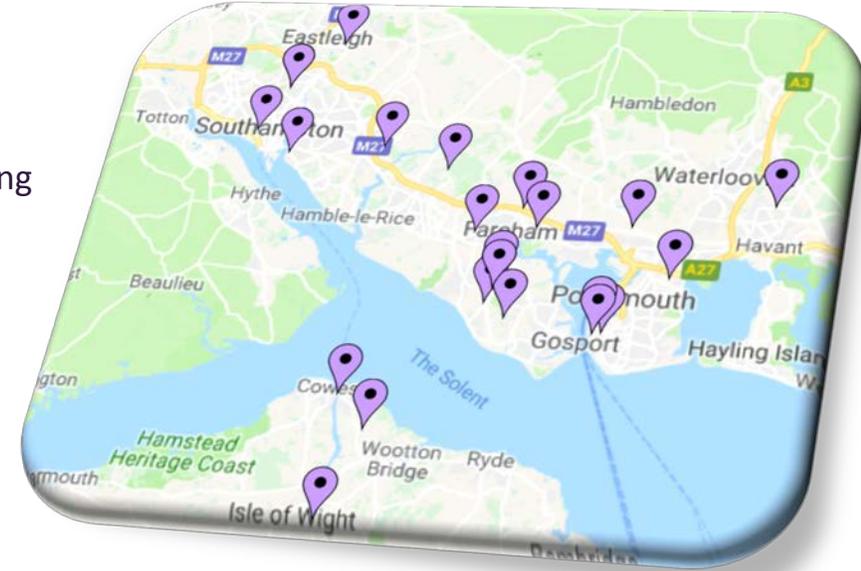
- Much of this is either spent or allocated, but we need to build our pipeline to ensure we spend all funding and in readiness for new funding.
- Funding needs to be spent by **31st March 2021**.



Investing in Growth



- **Transport Interchanges**
 - The Hard, Portsmouth; Southampton Station Quarter North
- **Highways**
 - Dunsbury Park; Newgate Lane;
 - St. Margaret's Rand Peel Common roundabouts / A27 Dualling
- **Innovation**
 - Cancer Immunology Centre; Fareham Innovation Centre;
 - National Maritime Systems Centre; Solent Test Bed;
 - Future Technology Centre
- **Skills**
 - Eastleigh College; IoW College (CECMM);
 - Naval Base Engineering Centre; Civil Engineering Training Centre
- **Green Infrastructure**
 - Solent Recreation Mitigation
- **Business Support**
 - £10 million in grant funding to over 260 SMEs, helping to create or safeguard more than 1,500 jobs and securing additional investment of over £36.5 million directly into businesses.





Fund Overview

- The Solent Prosperity Fund is an open call for capital projects that support the Solent economy being fit for the future by helping businesses create better, higher-paying jobs.
- Three routes to funding:
 - High Growth Start-up businesses;
 - Expansion Fund and Growth Accelerator Programme;
 - Large Projects.
- Seeking to secure:

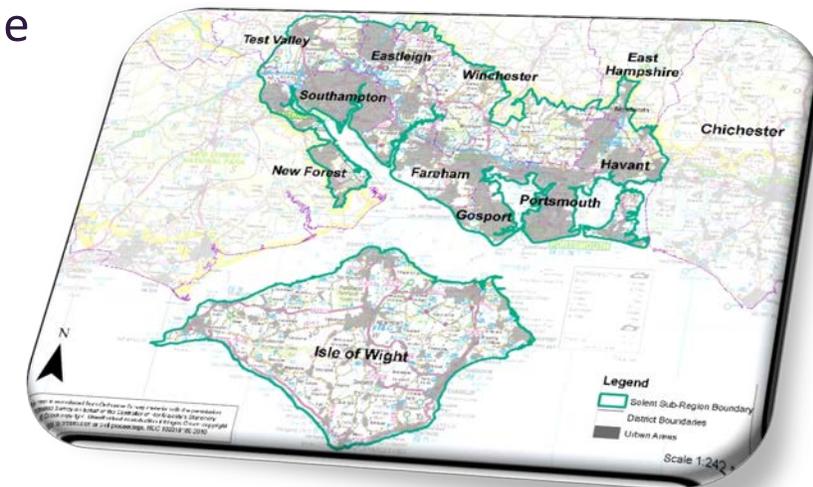
Enabling / unlocking housing delivery	Employment Growth
SME Growth	Developing Skills and Talent
Improved Productivity in Priority Sectors	Pioneering Innovation and Research
Connecting Communities and Businesses	



Key Information

- Open to businesses and public sector organisation (and partnerships).
 - Need a project lead
- Projects must be able to commence (spades in ground) in 2018/19 or 2019/20
- Must be a project that will deliver in the Solent area
- Grant and Loan Funding being made available.
 - Loans are preferred and any request for grant will be subject to a needs assessment.
- Funding of between £500,000 and £14m available

- Delivery, delivery, delivery...

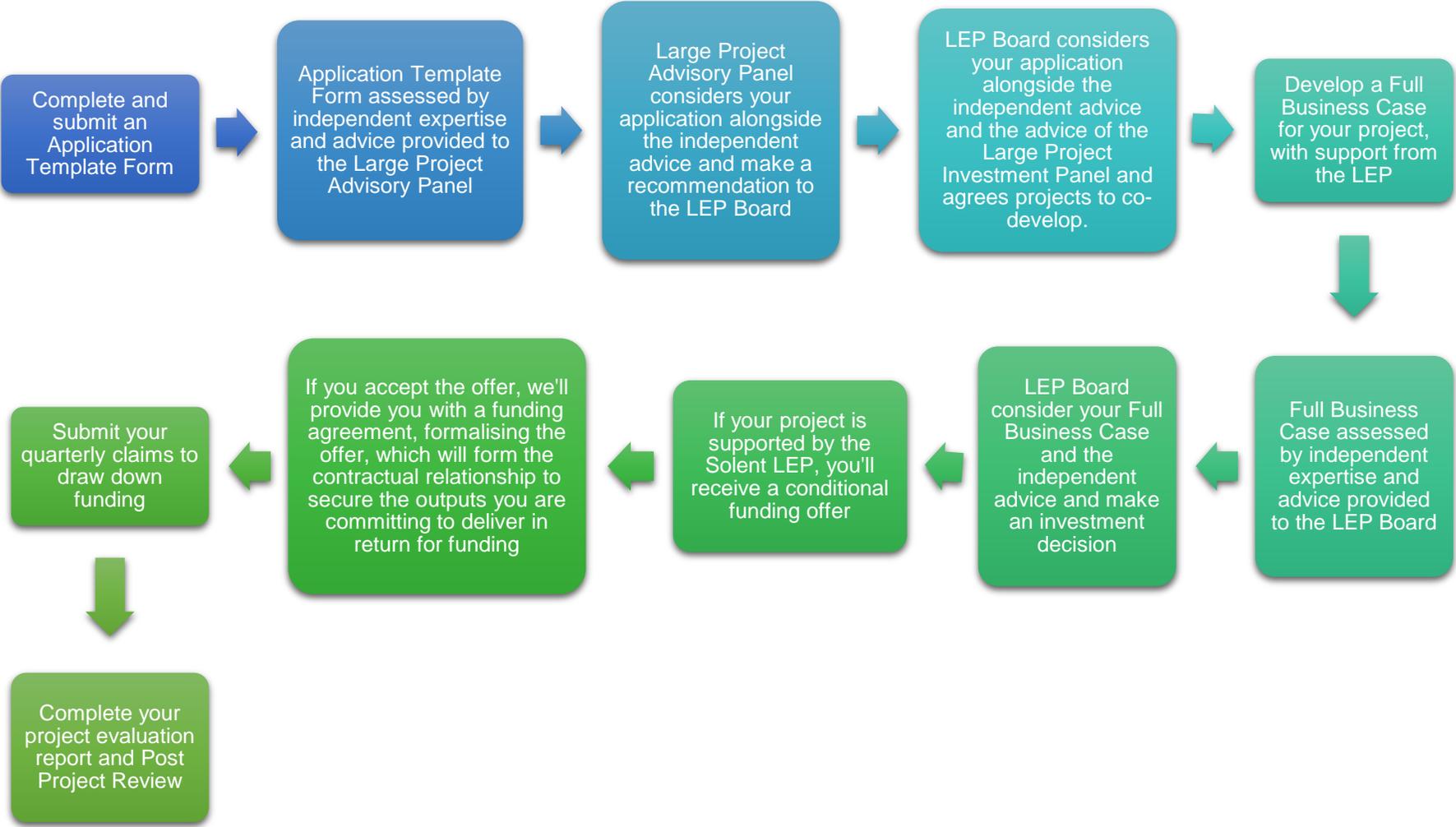


Eligibility Criteria

- Must be delivered in the Solent
- Projects must start by 31st March 2020
- LEP funding must be spent by 31st March 2021
 - Some funding being made available in period to 2021/22
- Must have all relevant regulatory consents in place, with no reserved matters.
- Funding request must contribute to **confirmed and secured** investment
 - Private sector projects must contribute at least 80% of total costs
 - Public sector infrastructure and skills infrastructure projects must contribute at least 30% of total costs from local sources
- Must be State Aid compliant
- Must unlock wider private sector leverage of 4:1 flowing from the project
- Can only consider discrete projects – not programmes
- Must have very strong governance and project management in place
- Must demonstrate that without LEP funding the project would not happen either at all or in the same way

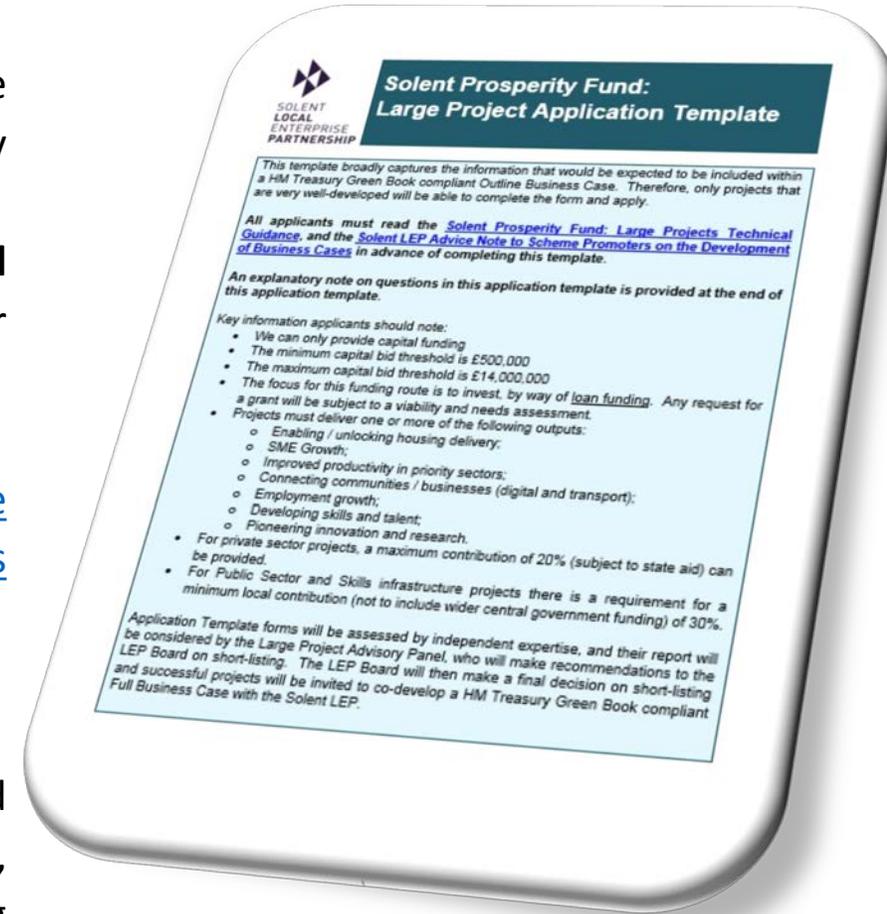


Application Process



Application Form

- The Application template broadly captures the information that would be included in a HM Treasury Green Book compliant **Outline Business Case**.
- Therefore, only projects that are **very well developed** will be able to complete the form and apply for funding.
 - Explanatory note is at the back
 - Also refer to the [Advice Note to Scheme Promoters on the Development of Business Cases](#)
- Include supporting information as appendices.
- The purpose of the OBC is to identify a preferred option which optimises Value for Money, demonstrates affordability, details the supporting procurement Strategy, together with management arrangements





Assessment

- Eligible applications will be assessed against the extent to which they achieve the following criteria:
 - **Strategic Fit** – *Can the project deliver one or more of the core outputs?*
 - **Deliverability** – *Can the project spend LEP funding by 31st March 2021? / are all consents in place?*
 - **Start Dates** - *Can the project start by 31st March 2020?*
 - **Private / Other Leverage** – *Can the project lever in other funding?*
 - **Direct Jobs created** – *How many new jobs will the project directly support?*
 - **New Homes Delivered** – *How many new homes will the project directly support?*
 - **Skills Outcomes** – *What skills outputs will the project deliver, and what is the demand?*
 - **Additionality** – *Will the project happen without LEP funding?*
 - Wider Economic Impacts
 - Social Impacts
 - Equalities
- Independent expertise will review applications and provide a report for consideration by our Large Projects Advisory Panel (LPAP)
- LPAP will then provide advice to the LEP Board, who will make a final decision on investment.
- The decision of the Board will be final and there is no right of appeal



Activity Timetable

- Fund launched on 10th August
- Round one closing date – 28th September 2018
- Round two closing date – 2nd November 2018
- Further rounds depending on funding availability.



Questions?

