

BOARD AGENDA AND BOARD PAPERS

DATE AND TIME: 12 March 2013, 15:00 (Prompt)

VENUE: Alconbury Enterprise Zone, Urban&Civic Limited, 137 North Gate, Alconbury Airfield, Huntingdon, PE28 4WX

*****Please note that there are new entrance and access arrangements for the Alconbury Weald site*****

Item	Brief description	Time allocated	Access/circulation prior to board meeting
Enterprise Zone presentation and Q&A	Optional presentation by EZ partners on progress and plans for the Alconbury Enterprise Zone	14:00	
1. Minutes from previous board meeting		15:00 5 mins	Board Corporate Members
2. 2013/14 Operating Plan	Presentation and board paper on proposed Operational Plan for 2013/14 and discussion around programme funding support for priorities (Glenn Athey)	15:05 40 mins	Board
3. Skills	Presentation and board paper on local skills brokerage teams programme proposal for board approval (Mark Cooper)	15:45 25 mins	Board Corporate Members
4. A14 Upgrade	Detailing proposed GCGPEP contribution to A14 upgrade (Nick Clarke)	16:10 25 mins	Board Corporate Members
5. Voluntary and Social Enterprise Challenge Fund	Detailing proposals for a VSE Challenge prize fund (Lynn Morgan)	16:35 25 mins	Board Corporate Members
6. Growing Places Fund	Update and recommendations for £780,000 that now remain unallocated (Glenn Athey)	17:00 15 mins	Board Corporate Members
7. AOB	<ul style="list-style-type: none"> I. For information: Regional Growth Fund bids (background paper included) II. Local Transport Board funding (background paper included) III. Board member expenses (verbal) 	17:15 15 mins	Board Corporate Members
8. Close		17:30	

DATE OF NEXT BOARD MEETING: MAY 20th, 15:00, Alconbury Enterprise Zone

LEP BOARD MEETING

Minutes from the meeting held on

15th January 2013 from 15.00 to 17.45

at Alconbury Enterprise Zone

Board Members Present

Grahame Nix (GN)
Mark Reeve (MR)
John Bridge (JB)
Dr Lynn Morgan (LM)
Allan Arnott (AA)
Cllr Jason Ablewhite (JA)
Cllr Tim Bick (TB)
Trevor Ellis (TE)
Dr Robert Swann (RS)
Cllr Marco Cereste (MC)
Prof Mike Thorne PhD (MT)

Chairman

Apologies

Prof Sir Richard Friend FRS FREng (RF)
Cllr Terry King (TK)
Cllr Nick Clarke (NC)
Neil Darwin

Also in attendance

Alex Plant (AP)	Board Advisor
Glenn Athey (GA)	Interim Executive Director
Laura Welham-Halstead (LWH)	Communications and Engagement Lead
Mark Cooper (MCo)	Skills and Business Growth Lead
Pete Northover	BIS Local

1. Item 1 – Welcome & Minutes from the last meeting

GN welcomed the Board and noted apologies from NC, TK, RF and ND.

The Board approved the minutes from the November 2012 meeting.

GN then worked through the outstanding action points that were not covered within the current agenda.

Action Point 7 – for MCo to bring back a detailed Skills Strategy Group proposal has been held over until the March Board meeting.

MCo

Action Point 10 – GA to draft Heseltine Review overview document for Board members, including a summary of the key issues the LEP may wish to push forward prior to the next Board meeting.

GA

GA is continuing to work on the EU funding agenda.

AP provided the Board with an update on the 3i proposal that he has been working on with David Gill from SJIC. They have now met with Senior Officials at BIS to discuss how the proposal could be moved forward. LWH to remove this as a future action point.

LWH

Action Point 6 – asking for a detailed proposal regarding potential funding contributions towards the A14 – has been held over until the March Board meeting. The Board were briefed by AP on the latest developments with regards to the A14, which includes an A14 Summit being held on 7th February that GN will be attending on behalf of the LEP.

AP

Some members of the Board had seen documentation that indicated there was an expectation that the LEP would contribute £50m to the A14 and that the Summit would seek this commitment. The Chair stated that he recognised that he had no remit to make any commitments beyond those discussed at the November 2012 Board Meeting.

The Board were keen to ensure that any solution for the A14 not only ensures its swift delivery, but also takes into consideration how the project could be innovative and delivered using a local supply chain.

AP to work on exact A14 potential funding figures and bring them back to the March Board meeting. AP to also talk to Government about the potential to explore the delivery of the road ourselves.

AP

LWH to note that the A14 will be a core agenda item for the March Board meeting.

LWH

2. Item 2 – Priorities and actions for 2013/15: outcomes from the board away days

GA provided a brief presentation to the Board outlining the feedback from the two Visioning Workshops held in December and January. The Workshop sessions were held to aid the creation of a more focused activity plan for the LEP, including budgetary implications.

The participants identified the following top four priorities; Delivering the Enterprise Zone, Transport, Skills and Employment, and Enterprise/ Business Growth (including International and Innovation).

The Board then discussed the importance of Housing to the LEP and the local economy. It was agreed that the need for Housing was a key barrier to growth, but that the LEP was not the right organisation (given its limited resources) to lead on this agenda. Instead their role is to review, challenge and champion as required, and to keep abreast of local plans.

The importance of Broadband was also discussed, and it was agreed that key partners were already successfully moving plans forward, and the LEPs role would be one of continued support.

The workshop participants identified an initial four “Big Ticket” items, as follows:

1. Inward Investment: Coordinated, effective inward investment promotion, and enquiry handling for the LEP area localities
2. Skills: The LEP becomes the “breakthrough” body for skills – redefining how provision is better tailored to business needs
3. Innovation in the Enterprise Zone: Ensure/ support a flagship innovation initiative on the EZ
4. A14 wider lobbying campaign: to support/ augment work already being done by Cambridgeshire County Council and others to strengthen the business voice

The Board agreed that the second “Big Ticket” project needed further refinement to identify a tangible aim for our specific LEP area given the complexity and challenges faced nationally in tackling this issue.

Overall, the Board approved further work on the four Big Ticket items and it was agreed that:

GA and the Executive Team to develop a detailed delivery plan for each of the key targets including the resourcing (both LEP and Partners)

GA

To work up these Big Ticket items into a focused strategy with the Board as soon as possible.

GA

The Board were also keen to see business engagement, promotion of the LEP and marketing as a part of all plans that come forward. A clear narrative outlining the role that the LEP will play in each original priority area must be developed.

LWH

GN thanked everyone that had been involved in the workshops to date.

LM noted that the Voluntary and Social Enterprise Group are working on a proposal to create a small challenge fund to help small business start-ups, to support the skills development of the hard to reach and other matters. A full proposal will be brought to the March Board meeting.

LM

3. Item 3 – LEP core funding for 2013/14

GA introduced the paper, which outlined the funding that has been offered by BIS to support the work of the LEPs, and the funding requests sent to the 13 local authorities within our area.

BIS has asked LEPs to submit an indicative plan of how they will match fund up to £250,000 of funding by 15th February. Match funding must be either cash or directly managed services given to the LEP.

The Board discussed the opportunities and challenges different funding and in kind match funding could present the LEP with.

Some members of the Board were concerned that the 2013 funding request was not proportionally in line with 2012’s agreement, which would make it difficult for them to gain approval. There was uncertainty around how the numbers were established. GA asked the Board to note that local authorities were being requested to give approval for indicative allocations “up to” the amount stated –subject to their satisfaction with the draft business plan for 2013/14. GA was asked to document the reasoning behind the individual funding amounts put to the individual local authorities.

GA

It was also suggested that the LEP push Government to offer funding without match funding strings attached.

The Chair offered to ensure that for future years a funding mechanism would be agreed well in advance and that the team would also look at identifying other sources of funding and in kind contributions from the private sector. However it would not be practical to get such agreements prior to 15th February. On this basis it was requested that Local Authority Board representatives support the proposed funding requests and were asked their Chief Executives to respond positively

to the Chairs funding letter of November as soon as possible.

GA to then collate the response required by BIS and submit it by 15th February.

GA

4. **Item 4 – Growing Places Fund**

GA introduced the paper, and confirmed that every project is trying to meet the 31st January deadline to sign off individual funding agreements, however there is concern that a couple of projects (around £5m of funding) may not achieve this.

GA,
LWH,
MCo

If this happens, there is the potential to direct this funding in line with the priorities established at the strategy days or seek to advertise for new projects, particularly in the private sector. There was agreement that the scoring system used to assess bids should be reviewed to ensure it gives enough weight to the LEP's priorities and the Executive Team were asked to review the scoring criteria and propose an amended version for consideration by the Board.

Following on from Natalie Blaken's departure, the Board agreed that it was important to recruit a replacement to undertake this work (which is currently covered by a third party consultant). GA to progress the recruitment process, which will be funded by the revenue element of the Growing Places Fund.

GA

5. **Item 5 – Changes to corporate governance and the company articles**

GA explained to the Board that the original Mem & Arts for the LEP are now in need of a review. Amendments include formalising the role of Corporate Members and adding in the requirement for a Vice Chair.

The Board discussed the costs associated with making these amendments, and JB offered to provide details of the Company Secretary that the Cambridgeshire Chamber of Commerce uses. GA to follow up.

GA

The Board agreed to the proposed amendments contained within the document, including the creation of a remuneration and recruitment committee.

JB proposed that MR should be appointed as Vice Chair. The Board agreed and MR is now officially the Vice Chair of the LEP Board.

6. **Item 6 – Enterprise Zone Update**

GN provided the Board with a verbal update on progress with the Enterprise Zone.

The Enterprise Zone Steering Group last met on 10th January. U&C reported at that meeting that:

- The new entrance to the EZ site will open later this month
- A number enquiries are being followed up from UK and international companies
- The first set of brochures have been printed and are in use
- The LEP has agreed to co-fund a Project Management post within Huntingdonshire District Council to oversee the work of the EZ on behalf of both organisations
- The first Cambridge Policy Consultants report into Skills (funded by the SFA and commissioned by the LEP) is complete. The current skills data required does not fully meet SFA requirements. An action plan was agreed by the EZ Skills Group. The Partner group agreed to commission Cambridge Policy Consultants to carry out the phase of work including the final EZ Skills Plan.
- Huntingdonshire District Council are looking into the potential to access funds for the Southern Access Road from the new Government EZ Infrastructure Fund
- Landscaping work is now being undertaken on site
- MR reminded the Board of the proposal to develop an innovation centre within the EZ. GN

noted that the LEP and U&C were also keen to hold an innovation event onsite in the near future

7. Item 7 – AOB

1. Local Transport Board – GN asked if the Board had had the opportunity to review the proposed Governance arrangements for the group. The Board gave its support to the proposed arrangements.
2. Presentation of Board Papers – RS noted that the presentation for Item 2 was clear and concise and welcomed further Board presentations and reports in a similar vein.
3. Vince Cable visit – TB noted that he met with Vince Cable with NC, Cllr Ray Manning and AP to discuss the Greater Cambridge City Deal. It was a very positive meeting with the final proposal now submitted to Government. A response from Government is expected in early February.

The meeting then closed at 5.45pm.

SUMMARY OF AGREED ACTIONS AND PROGRESS TO DATE

Agenda item no.	Action	LEAD	ACTIONED Y/N? / STATUS
1	Action Point 7 – for MCo to bring back a detailed Skills Strategy Group proposal has been held over until the March Board meeting.	MCo	Y
	Action Point 10 – GA to draft Heseltine Review overview document for Board members, including a summary of the key issues the LEP may wish to push forward prior to the next Board meeting.	GA	N
	Action Point 6 – asking for a detailed proposal regarding potential funding contributions towards the A14 – has been held over until the March Board meeting. The Board were briefed by AP on the latest developments with regards to the A14, which includes an A14 Summit being held on 7 th February that GN will be attending on behalf of the LEP.	AP	Y
	AP to work on exact A14 potential funding figures and bring them back to the March Board meeting. AP to also talk to Government about the potential to explore the delivery of the road ourselves.	AP	Y
2	GA and the Executive Team to develop a detailed delivery plan for each of the key targets including the resourcing (both LEP and Partners)	GA	N – starting point is the Operational Plan which asks the board to make indicative programme budget allocations. Sensible to work up delivery plans after board commits to broad budget allocations.
2	To work up these Big Ticket items into a focused strategy with the Board as soon as possible.	GA	Y – partly done this through the Operational Plan

2	The Board were also keen to see business engagement, promotion of the LEP and marketing as a part of all plans that come forward. A clear narrative outlining the role that the LEP will play in each original priority area must be developed.	LWH	Y – in progress
2	LM noted that the Voluntary and Social Enterprise Group are working on a proposal to create a small challenge fund to help small business start-ups, to support the skills development of the hard to reach and other matters. A full proposal will be brought to the March Board meeting.	LM	Y
3	Some members of the Board were concerned that the 2013 funding request was not proportionally in line with 2012's agreement, which would make it difficult for them to gain approval. There was uncertainty around how the numbers were established. GA asked the Board to note that local authorities were being requested to give approval for indicative allocations "up to" the amount stated –subject to their satisfaction with the draft business plan for 2013/14. GA was asked to document the reasoning behind the individual funding amounts put to the individual local authorities.	GA	Y – a note has been circulated to the chair and will be circulated to board members in due course
	Core funding: GA to then collate the response required by BIS and submit it by 15 th February.	GA	Y
4	Growing Places Fund: GA introduced the paper, and confirmed that every project is trying to meet the 31 st January deadline to sign off individual funding agreements, however there is concern that a couple of projects (around £5m of funding) may not achieve this.	GA, LWH, MCo	Y – all applicants have a funding agreement in place now
4	Following on from Natalie Blaken's departure, the Board agreed that it was important to recruit a replacement to undertake this work (which is currently covered by a third party consultant). GA to progress the recruitment process, which will be funded by the revenue element of the Growing Places Fund.	GA	Y – in progress
	The Board discussed the costs associated with making these amendments, and JB offered to provide details of the Company Secretary that the Cambridgeshire Chamber of Commerce uses. GA to follow up.	GA	N: A contractual commitment had been made for a package of legal services which included this item, prior to the board discussion. However, this advice will be considered for any further changes.

ITEM 2: OPERATIONAL PLAN 2013/14 (AUTHOR: GLENN ATHEY)

BOARD ONLY AGENDA ITEM

ONCE BOARD REVISIONS AND AMENDMENTS HAVE BEEN INCORPORATED, THE DRAFT OPERATIONAL PLAN WILL BE PUT OUT TO CORPORATE MEMBERS FOR CONSULTATION

ITEM 3: SKILLS STRATEGY GROUP – DELIVERY OF BOARD APPROVED STRATEGY (AUTHOR: MARK COOPER)

FOR DECISION

Summary

- 1. Local Skills Teams will provide the missing element in bringing together business with the organisations responsible for publically funded training. The relationships they build will enable the long-term resolution of the three key issues identified by the Skills Strategy Group: a lack of economic awareness amongst our young people, realignment of training with business demand, and increasing the numbers of businesses with a training plan and budget.**
- 2. To be successful it is important that they are seen as sustainable and not a programme driven approach with a limited time-span. Therefore, the board is asked to approve the three decision requests below.**

Detail of request for decision:

- 3. Board approves the concept and wishes it to move forward;**
- 4. Board approves monies to be made available from Growing Places Fund Recycle to fund Year 1 and Year 2 Pilots including development costs. Total over two years (2013-2015): £651,211;**
- 5. Board approves the full roll out of the project following the pilots and in line with 'Phasing and Costs' (above), subject to satisfactory performance.**

Background

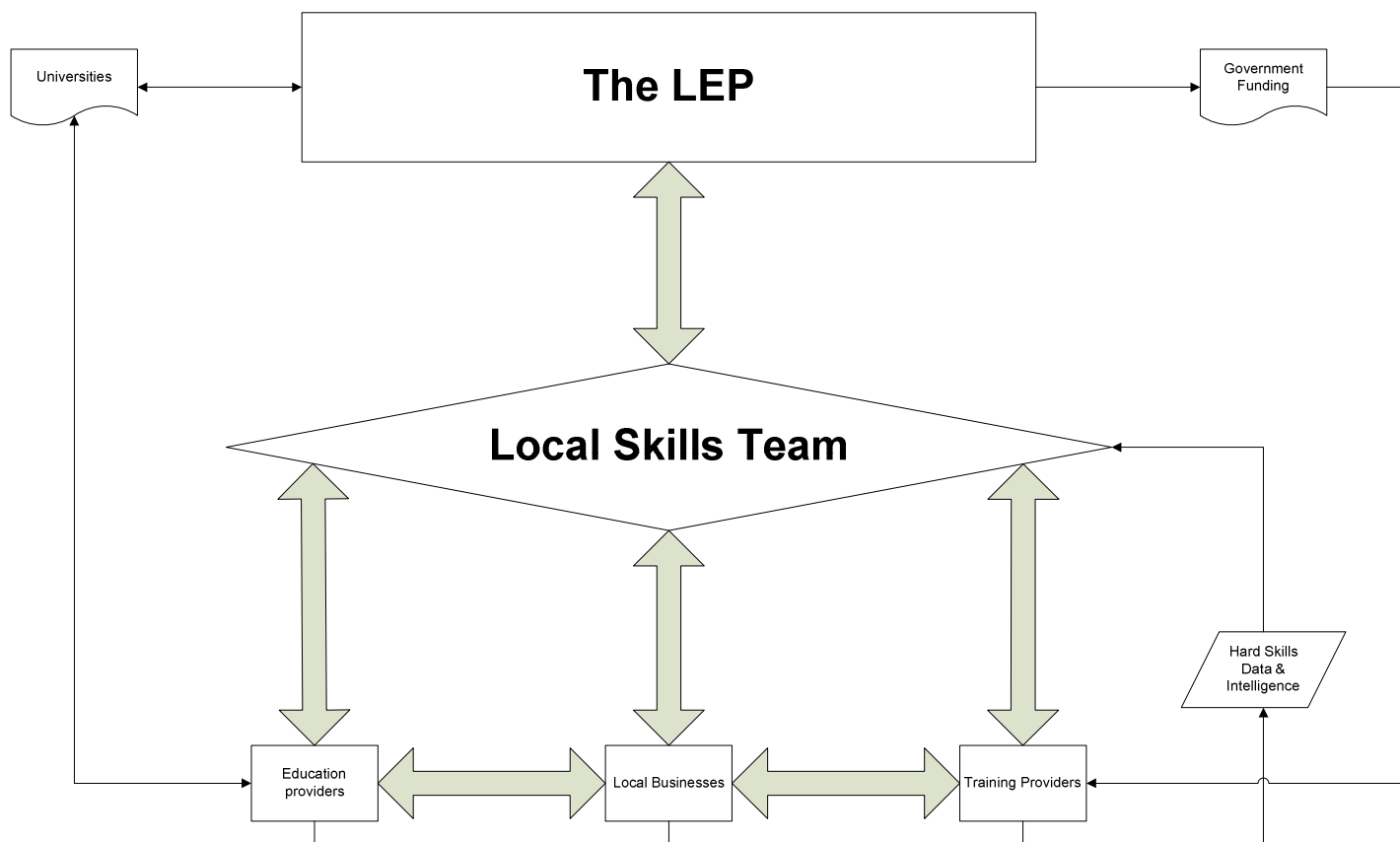
6. For background information on process to date see Item 7 from November 2012 Board Pack and associated minutes.
7. This paper outlines more detailed planning for the project. It includes ten-year financial projections; project phasing; and milestones, objectives, and outcomes.

Proposal

8. Provide resource in terms of development costs, benchmark skills survey, grant monies, and Executive Team time to implement the Local Skills Teams (LST) proposal.

Local Skills Teams

9. Local Skills Teams: provide a coordination/partnership brokerage role between businesses, education, training providers, and the local community; they deliver LEP skills strategy at a local level, are set up, and run as, small businesses; working areas are designed around realistic economic geographies but achieve coverage across the LEP area.
10. The fundamental role of the LST is to provide a 'hand holding' service that brings together organisations that speak different commercial languages and have disparate structures and driving forces. This is the 'missing link' in the skills landscape. There are seemingly an unlimited number of initiatives and groups that are all competing for the ear of businesses. LSTs can cut through this morass to give businesses a simple message and be the interpreter that will allow effective partnership working between education/training and businesses.



Benefits:

11. Progressive coverage of our LEP area with six Local Skills Teams established over a four year period, each made up of three staff, one business focused, one education and training focused, and one administrator/PR/marketing focused;
12. Brings the private and public sectors into a partnership around a clearly defined single issue;
13. Works with existing practise and provision to coordinate action;
14. Addresses a clear gap in education and business skills strategy;
15. Is a credible, independent body with a business focus;
16. Brings together SMEs with a clear set of objectives that are business led;
17. Is sustainable and long-term. Makes good use of the unique nature of our LEP's resources that come without the strings of European or government funding streams;
18. Has an entrepreneurial balance of innovation and risk;
19. Our LEP becomes the 'breakthrough body' for skills with the strongest business-led 'local' skills voice in the country as a result of local business engagement and LEP area wide data on business needs.

Summary

20. Local Skills Teams will provide the missing element in bringing together business with the organisations responsible for publically funded training. The relationships they build will enable the long-term resolution of the three key issues identified by the Skills Strategy Group: a lack of economic awareness amongst our young people, realignment of training with business demand, and increasing the numbers of businesses with a training plan and budget. To be successful it is important that they are seen as sustainable and not a programme driven approach with a limited time-span. Therefore, the board is asked to approve the three decision requests below.

Detail of request for decision:

21. Board approves the concept and wishes it to move forward;
22. Board approves monies to be made available from Growing Places Fund Recycle to fund Year 1 and Year 2 Pilots including development costs. Total over two years (2013-2015): £651,211;
23. Board approves the full roll out of the project following the pilots and in line with 'Phasing and Costs' (above), subject to satisfactory performance.

Objectives, outcomes, and milestones:

LEP Project Objectives	Measure	Target				
Boost the output of our business community by:						
1 Increasing the economic awareness of young people	Awareness survey	% increase based on benchmark data				
2 Aligning publically funded training to business demand	SFA data analysed against skills survey	% increase based on benchmark data				
3 Increasing the use of skills planning and budgeting in the business community	Skills survey	% increase based on benchmark data				
Team Objectives	Month 1	Month 2	Month 3	Month 4	Month 5	Month 12
1 Build a network of targeted businesses	Identify partner businesses					
2 Build a network of education and training providers	Identify education and training partners					
3 Bring together the networks in one place and into one entity		Create steering group				
4 Complete an annual skills survey of businesses			Run benchmarking exercise			Run first survey
5 Complete an annual awareness survey of students			Run benchmarking exercise			Run first survey
6 Implement a programme of awareness events in target schools, colleges, and universities				Run first events		
7 Implement a programme of skills planning events in target businesses					Run first events	
						First year report
Outcomes	Measure	Target				
1 Young people are more aware of target business sectors and more generally economically aware	Awareness survey	% increase based on benchmark data				
2 Increase in skills planning and training in target business sectors	Skills survey	% increase based on benchmark data				
3 Increase in student numbers applying for/attending course relevant to the target business sectors	SFA data	% increase based on benchmark data				
4 Increase in business confidence in skills system	Skills survey	% increase based on benchmark data				

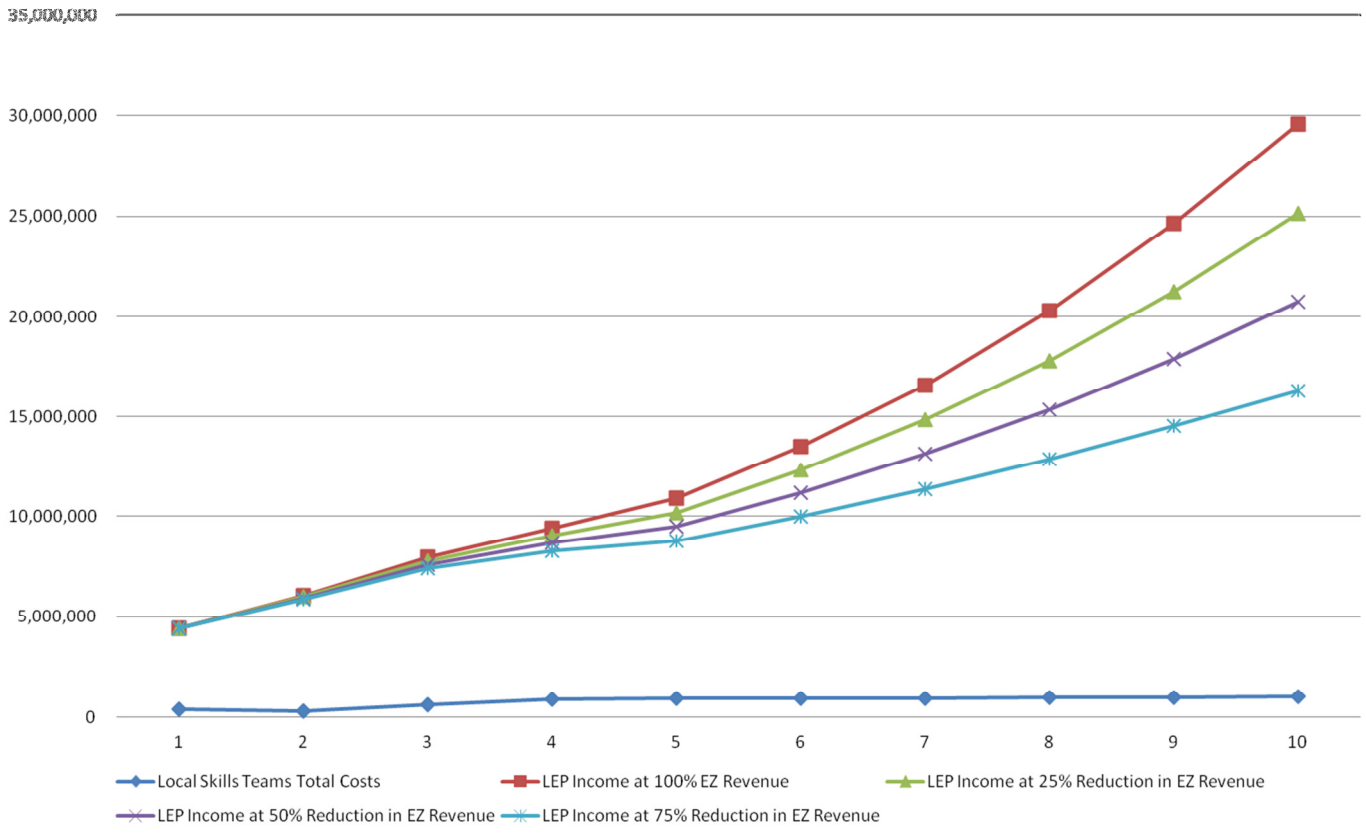
Financial Overview¹

Phasing and Costs											
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Pilot 1	141,429	142,276	143,148	146,311	153,176	152,854	156,239	159,700	163,242	170,857	1,529,232
Pilot 2	141,429	142,276	143,148	146,311	153,176	152,854	156,239	159,700	163,242	170,857	1,529,232
LST 3			143,148	146,311	153,176	152,854	156,239	159,700	163,242	170,857	1,245,527
LST 4			143,148	146,311	153,176	152,854	156,239	159,700	163,242	170,857	1,245,527
LST 5				146,311	153,176	152,854	156,239	159,700	163,242	170,857	1,102,379
LST 6				146,311	153,176	152,854	156,239	159,700	163,242	170,857	1,102,379
Start Up Costs	23,800	0	23,800	23,800	0	0	0	0	0	0	71,400
Development Costs	60,000	0	0	0	0	0	0	0	0	0	60,000
Total	366,658	284,552	596,394	901,665	919,054	917,125	937,432	958,203	979,450	1,025,143	7,885,676
Cumulative	366,658	651,211	1,247,605	2,149,270	3,068,324	3,985,449	4,922,881	5,881,083	6,860,533	7,885,676	

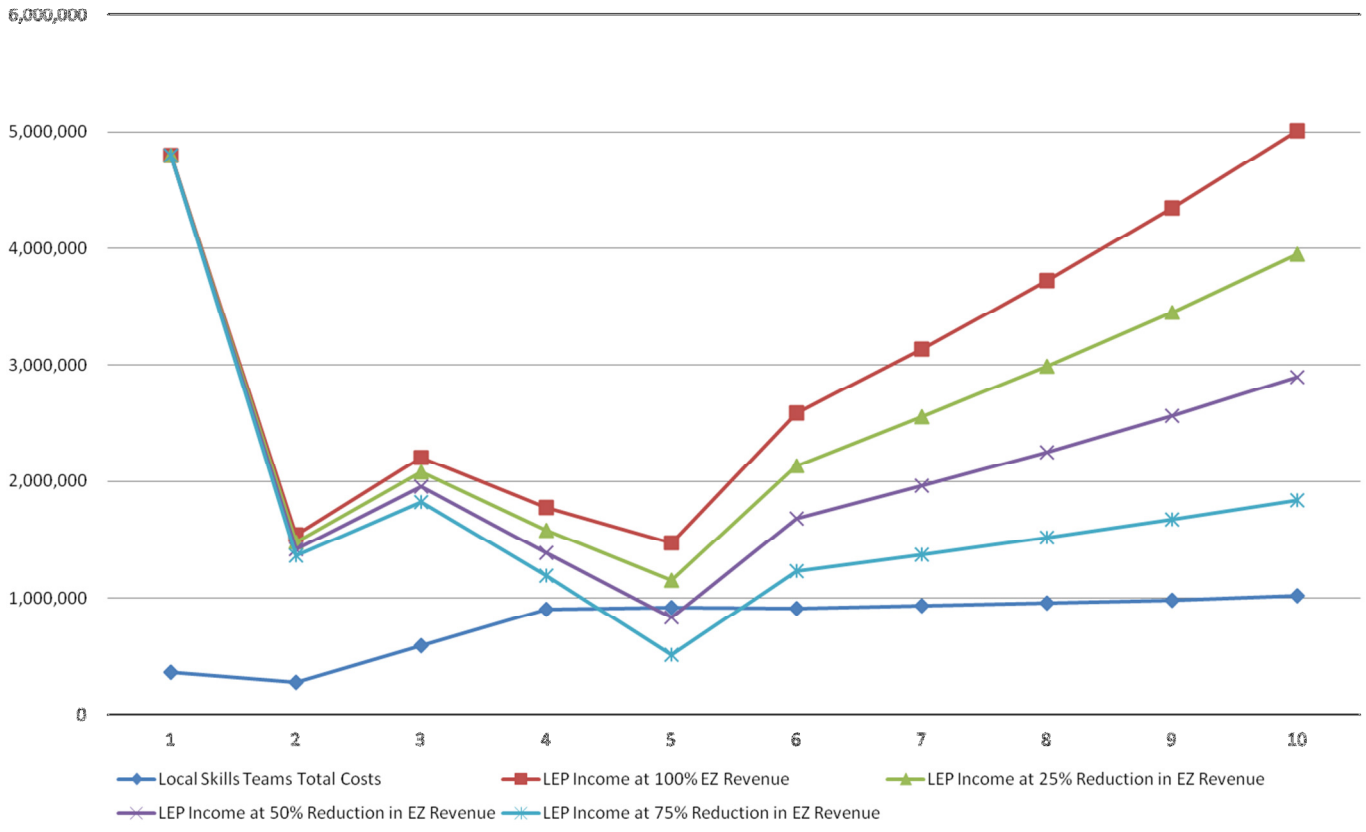
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¹ For details see Appendix A

Local Skills Teams Costs Compared to Remaining LEP Income - Cumulative



Local Skills Teams Costs Compared to LEP Income - PA



ITEM 4: GCGPEP FINANCIAL CONTRIBUTION TO A14 (AUTHOR: NICK CLARKE)

FOR DECISION

- 1. GCGPEP commit up to £50 million in Enterprise Zone business rates receipts over 25 years to the proposed A14 upgrade. Total contribution will not exceed £50m, and shall comprise no greater than 50% of the total value of business rates receipts collected in any one year.**

SUPPORTING INFORMATION

- 2. The A14 is a key spine road across the East of England and is vital to the future of the development of the wider eastern region and the UK as a whole. Current capacity, safety and congestion problems are a barrier to multiple housing and employment sites, including the Alconbury Enterprise Zone.**
- 3. The government have indicated that they support the upgrade of the A14, and have begun preparatory work. Informal discussions with Government have indicated that a local funding element of between £100 and £150m will be needed to gain final approval for the upgrade to be funded and proceed.**

Background

4. The previous Board paper on the A14 outlined the history to the scheme and in broad terms, the benefits that improvements to the A14 would bring. It also described the process of the A14 Challenge and the expectation from Government for there to be local contributions as part of the overall funding package for the scheme.
5. Since the last Board meeting, officers from Cambridgeshire have led on discussions with surrounding district and county councils to quantify the level of contributions that can be secured. This culminated in an A14 Summit meeting on 7th February where the majority of local partners pledged to make financial contributions towards the scheme and also to the creation of what has been termed an Infrastructure Consortium, to develop plans and lobby for infrastructure over a much wider area. The Summit was also attended by the LEP chair who indicated in principle support from the LEP.
6. In addition to this work, the Department for Transport (DfT) and Highways Agency have continued to develop and refine the plans for the tolling regime and initial work is underway on the scheme design. The scheme remains on track to be on site by 2018 and ideally sooner, an aspiration expressed by the Minister for Roads when he visited Cambridgeshire in January. This paper identifies a number of scenarios, risks and implications associated with the budget outlook for 2013/14 for GCGPEP core funding (the funding available for core activities such as everyday management, executive team, administration, financial and fund management, work on developing and delivery priority projects and day to day business). For management information purposes (and relating to available central government funding), it is assumed that the new financial year begins on 01 April 2013.

Economic benefits of A14 upgrade

7. Role of the A14 through Cambridgeshire
 - The A14 acts as a key east west spine road across the East of England and is vital to the future development of the region and the UK. There is pressure for development and the sufficiency of the A14 or lack of it is a key determinant of how far that development and wider economic growth can be realised.
 - The length of the A14 between Cambridge and Huntingdon is crucial as it forms a cross roads where the M11, A428 and A1 traffic intersect and distribute to other regions across the country. Unfortunately, this length of A14 is a major bottleneck, so much potential development and economic growth depends on its early improvement.

8. Wider Economic Impact

- Daily the A14 experiences excessive traffic congestion, accidents and incidents which undermine investment and limits growth across the region as a whole, and within the Cambridge sub-region in particular. The condition of the A14 is a key consideration for many businesses when deciding whether or not to invest in the region, as many of these rely on the route for their supply chains.
- Although the biggest economic impact is across areas immediately adjacent to the A14 route itself, the impact would also extend wider than this, with areas to the north and south also benefitting from the “ripple” effect of growth generated by the improvement to A14.
- The proposed improvement scheme includes the planned separation of local and long distance traffic movements. This would greatly increase the reliability for their commercial traffic, which is of course an important consideration for any business.

9. Specific local benefits from the A14

- Increased reliability of the road and journey times would support the planned expansion of Felixstowe
- There are in excess of 30,000 houses that are directly or partially dependant on the A14 improvement (10,000 at Northstowe, 10,000 Waterbeach, 5,000 Alconbury being the main sites)
- As there is limited space within Cambridge itself to accommodate new housing, these sites will be the main source of labour for growing Cambridge companies
- If these housing sites do not go ahead, there will be a direct impact from the reduced construction activity and a longer term impact on the growth of Cambridge due to restricted labour supply and further increases in average house prices among the existing stock of housing.
- There is significant productivity loss as a result of congestion in Cambridge City and South Cambs and a fair proportion of this can be attributed to the A14

Local funding contributions

10. Although the Government has been clear that a local funding element is essential if the A14 improvement is to go ahead, they have not indicated the amount of money that is required. Informal discussions with the DfT and Treasury have suggested that a figure between £100 and £150m will be needed, payable over a period of 25 years. This will most probably be used to support up front borrowing of around £40m - £50m towards the capital cost of the scheme. It is anticipated that tolling income will support between £300m and £500m of the capital cost with the balance to be funded by government.
11. Initial figures suggest an outturn cost for the works of up to £1.5bn. A value engineering exercise is currently underway to reduce this figure in order to maximise the chances of the scheme being funded and delivered.
12. Discussions are ongoing with the local councils in the region and it is anticipated that up to £50m could be committed from this source. The justification for these contributions is the additional economic growth that will occur as a result of the improvements to the A14. This will in turn result in additional revenues at a local level through for example, New Homes Bonus, Community Infrastructure Levy and the element of business rates retained locally. Cambridgeshire has undertaken an analysis for each of the Cambridgeshire districts to show the potential uplift in these local revenues as a result of the A14 improvement and this demonstrates that there is the potential for a significant ‘local return’ on investments that the councils may make in the scheme. Similarly there are economic benefits (albeit smaller) for other areas along the route and affected by the route (eg in Suffolk, Northants, Essex, Herts and Norfolk). Essentially just a small proportion of the incremental growth as a result of the improvements will be required and combined with the contributions from the other councils in the wider area, this could enable the scheme to go ahead.

13. Discussions are also ongoing with the New Anglia LEP, SEMLEP and the Port of Felixstowe to secure further contributions.
14. For the LEP, the principal beneficiary from the A14 improvement will be the Alconbury Enterprise Zone (EZ). Although technically speaking, significant development can take place in the EZ without improvement to the A14, in reality, if it is not improved, it will be a major constraint, and is likely simply by its reputation, to put many companies off re-locating. In turn, this will limit the amount of business rate that is retained by the LEP. As with the local councils, the proposition therefore is that an investment by the LEP into the A14 will pay significant direct dividends and will result in significantly more retained income being generated than the investment itself.
15. Given the potential scale of the local council contributions and the expected total ask from the government, it is considered that £50m will be required from the LEP. It is recognised that the ability to make this scale of payment will be entirely dependant on the success of the Alconbury Enterprise Zone and the profile of payments will need to match the profile of receipts from the retained Business Rates at the Enterprise Zone. It is proposed therefore that subject to Board decision, a methodology for calculating the LEP payments that can be made be developed for further Board consideration.
16. At this stage, it is proposed that this should be calculated by a combination of total expected Enterprise Zone receipts and the required LEP contribution giving a percentage of anticipated receipts contribution up to a cap. This percentage contribution could then be applied to annual income from the Enterprise Zone so there is a clear relationship between actual performance of the zone and the contribution made to the A14. It is also suggested that the overall contribution level should be capped to limit overall payments should the EZ prove even more popular than expected. These payments would be made over a period of 25 years and so, given the likely take up of the Enterprise Zone, their profile is likely to be back-end loaded.
17. Work is still ongoing with the DfT and Treasury on how annual payments such as those proposed here (and those being discussed with the surrounding district and county councils), will translate into capital funding for the scheme. It is likely that subject to agreement on borrowing levels, Cambridgeshire will act as the accountable body for these contributions and will borrow the required capital on the strength of annual revenue payments from the partners in the area. As part of this process, there will need to be clear agreement with the DfT and Treasury on underwriting of the contributions and what would happen if the revenue sources on which the contributions are predicated underperform.
18. Through this process, there is a direct link between the success of the zone and the payments made but also between the success of the zone and the improvement to the A14. Without the A14 scheme which the local contributions will enable, the Enterprise Zone will not reach its full potential.
19. PROPOSAL: GCGPEP allocates £50m in Enterprise Zone receipts to the A14. Total contribution will not exceed £50m, and shall comprise no greater than 50% of the total value of business rates receipts collected in any one year.

ITEM 5: VOLUNTARY AND SOCIAL ENTERPRISE PRIZE CHALLENGE FUND (LYNN MORGAN)

FOR DECISION

- 1. Approve the initiation of a pilot LEP Prize Challenge designed to support 1000 people facing multiple challenges to become job-ready and 250 to gain paid employment within the LEP area .**

Background

2. Since the GCGP LEP was set up, there has been an acknowledgement that Voluntary and Social Enterprise organisations, as a sector, create employment, provide a 'safety net' in an environment of increasing public sector cuts and, by their nature, can respond to very localised need with targeted interventions. The VSE Sector sub group of the LEP has perhaps been one of the most active sub-groups to date. The sector is keen to work alongside the LEP to complement its efforts to develop businesses, infrastructure and a wholly employable workforce. Whilst national and regional training initiatives will be right for the majority of unemployed people, there is now very little public money to target those with particular needs caused by social disadvantage, lifestyle choices, economic shock etc. A working group from the VSE sub-group has therefore focused on this particular area.
3. In early November 2012, the VSE sub-group began to shape and develop a Funding Support Programme, designed to both assist the VSE in their work activities and to correspond with the strategic priorities of the GCGP LEP's Growth Prospectus. Following a period of programme development, a proposal has now been developed formulating the practical mechanics of delivering an innovative pilot programme.
4. This paper seeks to present a co-produced proposal developed by the VSE sub-group with potential for programme launch in April 2013.
5. For illustration purposes, a Draft Publicity Brochure (Appendix A), Programme Guidance & Judging Criteria (Appendix B) and Workplan (Appendix C) have been also produced and should be read by Board members in conjunction with this paper.

What is the LEP Prize Challenge?

6. We want to offer up to 10 prizes for innovation to organisations working in the Voluntary and Social Enterprise (VSE) Sector that can improve and develop the skills of people who are experiencing multiple challenges and struggling to access sustained employment. Prizes will be used to generate new solutions and maximise positive outcomes, including supporting 1000 disadvantaged people to become job-ready and 250 people to gain paid employment within the LEP area.
7. Challenge approaches are very much favoured by Government (especially BIS and Office for Civil Society); considerable synergy and further advice can be accessed from the Centre for Challenge Prizes, see: http://www.nesta.org.uk/areas_of_work/challengeprizes
8. Our programme seeks to harness the experience and innovation of the local VSE sector in areas which will further benefit the LEP area economy and the community, and increase their impact. Examples include increasing skills, training, volunteering, social action and other activities to improve pathways and access into employment for people experiencing multiple challenges.
9. Why is it needed and what value will this bring to the LEP?
10. Within the GCGP LEP area, there exist significant pockets of unemployment but 'hard to reach' people that the VSE sector is well connected to. Whilst some of these groups will perhaps represent longstanding challenges, others are emerging as the public sector continues to shrink its workforce and businesses continue to fail. However, the reduction in public spending has caused either a cessation or significant

reduction in programmes which are focussed on getting people back into employment. Without initiatives tailored to the specific needs of different cohorts which meet the needs of the different locations, these unemployed people will not find employment and will continue to cost the local economy rather than add to it.

11. The impact of unemployment can have a detrimental impact on the local economy as people have less money to spend, so the local economy suffers, areas get a negative reputation and children don't have positive role models of parents that who go out to work, thus lowering their aspirations.
12. Economic shock can have a devastating impact on a local community so, for example, prisons or air bases closing down not only has an impact on the individuals and families but also affects local businesses. Furthermore, there are parts of the LEP area where employers are struggling to find staff, whilst a pool of unemployed people exists, that is not yet equipped to take up these work opportunities. Providing targeted training to meet the needs of local businesses can help address this problem.

How much will the programme cost to run?

13. During 2013-14 we aim to make 10 LEP Prizes of £30,000 each, with an opportunity for three prize winners to receive an extra £50,000 each to sustain and scale up their innovatory solutions to the LEP Challenge. Applicants will be encouraged, where potential exists to work together to maximum effect, to join up their proposals with another applicant and together apply for a combined sum of £60,000 (or more for three or more applicants).
14. We are asking the LEP board to earmark the sum of £1m in grant funding over the next three years to deliver this programme, to be sourced from Growing Places Fund recycled loan payments. The rounding up of the Challenge Programme to a £1m figure is designed to enhance its publicity and profile-raising potential. However, initial investment would be for £486,375 for Round One (which covers financial years 2013/14 and 2014/15, plus administrative and evaluation costs). Further consideration will be required to progress the programme to Round Two, dependent upon strong evidence of outcomes being achieved and further funds from the LEP Board being available. The potential also exists for the programme to be extended in future years beyond 2015/16.
15. Proposed phasing of Challenge Prize finance:

	2013/14	2014/15	2015/16	GRAND TOTAL
Round 1	£300,000 for 10 initial prizes	£150,000 for 3 'scale-up' prizes		£450,000
Round 2		£300,000 for 10 initial prizes	£150,000 for 3 'scale-up' prizes	£450,000
TOTAL	£300,000	£450,000	£150,000	£900,000

16. Total administration and evaluation costs have been calculated at 8.1% of total budget with the intention of reducing to 5% in future years. For clarity, the figure is £36,375 for each round, and £72,750 overall (see Appendix 3 for detailed activities). The level of administration has been benchmarked alongside other programmes, such as those delivered by the Big Lottery Fund.

How will the programme be managed?

17. Programme co-ordination and administration will be provided by the **Cambridgeshire Community Foundation (CCF)**, which has a strong track record of local grant-making, positive engagement with business, public and VSE sector organisations and effective relationships with its sister organisations (Foundations) in Norfolk, Suffolk, Essex and Rutland. Its business links are of paramount importance, and will allow the Prize winners (and all proposers) to capitalise on co-funding and producing possibilities with businesses
18. Development support to local VSE organisations to enable them to submit well-researched, compelling proposals will be provided by **Big Society Funding CIC**, an established VSE sector capacity-building company with a strong track record and effective links with the sector in the LEP area
19. Programme evaluation against key success indicators will be carried out by **Social Enterprise East**, an established local agency with a good track record of social impact measurement for the local VSE Sector.

Key judging criteria

20. Those applications that are deemed successful are likely to clearly evidence the following key characteristics:
 - Strong likelihood of delivering new skills and paid jobs in the LEP area
 - High levels of innovation
 - Strong levels of business and social need
 - Strong local business engagement, including match-funding
 - Potential for sustainability and scaling up.
21. CCF will assess applications for eligibility, whilst a Judging Panel made up of LEP and CCF Board Members will be convened to assess short-listed entries and Stage Two presentations.

Challenge Promotion, Stages & Timelines:

22. The Stages and tentative timelines are:
 - First Stage: Open Call (from agreed launch event date)
 - Deadline for First Stage proposals: 31st July 2013
 - Proposals assessed/possible presentations to Assessment Panel
 - Stage 2: 15 proposals shortlisted/facilitation provided to assist each to develop a strong proposal
 - Finalists present their proposals to Winner's Panel and the best 10 selected: October 2013
 - At the end of 12 months (Autumn 2014), the three projects that have demonstrated the most impact and innovation will be awarded additional prize monies of £50,000 each to enable them to scale up their programmes for a further 12 months, achieve ongoing sustainability, and, potentially, achieve wider replication of their model
 - Whilst it cannot be guaranteed, we hope that some of these projects, armed with their evaluation and impact assessment data, will eventually be able to leverage other funds into the region from some of the big funders such as Big Lottery Fund, Esmée Fairbairn Foundation etc.

APPENDIX B: GCGP VSE PRIZE CHALLENGE – DRAFT GUIDELINES AND JUDGING CRITERIA

A) How to apply

The Application Details Sheet must be completed and submitted with your application. This is a standard form requiring a range of information from all applicants as follows:

- (i) Lead organisation name
- (ii) Full contact details within the LEP area
- (iii) Name and address of main contact for this proposal
- (iv) Organisational status and registration number, if applicable
- (v) Current activities within the LEP area and when delivery of these began
- (vi) Financial summary of organisation and of activities within the LEP area, and last two years' financial accounts
- (vii) Confirmation that Child and/or Vulnerable Adults policy is in place and CRB checks are carried out
- (viii) Number of board members and regularity of meetings
- (ix) Project start and end date
- (x) Summary of the project – 50 words

The Application Details Sheet should be accompanied by a Project Proposal of no more than four sides of A4 and in font size no smaller than 12 point.

There is no set format for applications as we wish to provide applicants with the freedom they need to present their ideas as they wish. However, please do include the following information:

- (i) An outline of the project you are proposing
- (ii) Why the project is needed and the evidence you have to show this
- (iii) How the project links to the Prize Challenge theme of Skills and Jobs for people facing multiple challenges in less affluent neighbourhoods
- (iv) How the proposal is innovative
- (v) The project outcomes (measurable benefits, changes and results for people) and social benefits for the wider community and economy
- (vi) How you will build on the skills, knowledge & assets of the local community (i.e. use an asset-based approach)
- (vii) How you will measure and evidence you have achieved outcomes and social benefits
- (viii) The composition of the partnership including names and roles of partners
- (ix) Track record and capacity of partners
- (x) How the project and the partnership will be managed
- (xi) Your plans for securing sustainable involvement of local businesses in your proposal, including securing match-funding and/or in-kind support of at least 25% throughout the life-time of the project
- (xii) Your plans for sustainability
- (xiii) Your plans for scaling up
- (xiv) A summary of your budget breakdown – outlining how you will spend the £30,000 over 12 months and identifying where you intend to secure and spend an additional £10,000 of business match funding

B) Proposed Eligibility Criteria

Each successful entry will firstly need to meet all of the **Competition Eligibility Entry Criteria** outlined below:

1. Each organisation leading a Prize Challenge proposal must be either a Registered Charity or a Social Enterprise; FE Colleges and Schools can be a part of a collaborative proposal but not a lead applicant.
2. Each lead organisation must already be located within the LEP area and already be carrying out a substantial level of activity within it.
3. Each lead organisation must have at least two years overall track record, and provide evidence of activity via their past two years' financial accounts

4. Each lead organisation must have a board of trustees or directors that meets regularly and consists of at least three unrelated people
5. The proposed response to the Challenge e.g. the project, will take place in the LEP area and beneficiaries must be resident in the LEP area.
6. The problem identified and the solution proposed must all relate to both skills and employment for people facing multiple challenges in less affluent neighbourhoods
7. The maximum Project Period is 12 months
8. The maximum Prize is £30,000
9. Prizes can not fund the purchase of capital equipment beyond 10% of the total proposed budget
10. Prize proposals cannot be used to fund activity that is party political in intention, use, or presentation nor to support or promote religious activity.

C) Proposed Judging Criteria

Those entries that have met these initial criteria will then be scored according to the **Judging Criteria** outlined below. For each of the 10 criteria, one indicator only is selected:

1. Correlation with Prize themes – How well does the entry link to the Prize Challenge theme of Skills and Jobs of people facing multiple challenges in less affluent neighbourhoods?

Indicator	Score
The project is focused fully on improving skills of people facing multiple challenges in less affluent neighbourhoods within the LEP area (local people) and supporting them to find new employment in work areas for which skills shortages exist	9
The project is focused fully on improving local people's skills and supporting them to find new employment in any work area	6
The project is focused fully on improving local people's skills <u>or</u> supporting them to find new employment in any work area	3
There is no evidence of the project linking to skills or employment themes	0

2. Innovation - Does the entry meet innovation criteria sufficiently well?

Indicator	Score
The project is a brand new approach to providing a solution to a problem	3
The project uses an existing approach(es) in a very new way to solve a problem	2
The project adds some new elements to a pre-existing approach to solving a problem	1
The project is entirely based on a pre-existing approach	0

3. Need - Does the entry show identified local need sufficiently well?

Indicator	Score
The project has clearly evidenced a high level of need for its proposal, gathered from consultations with stakeholders and wider research	3
The project has partly evidenced that a high level of need exists for its proposal, gathered from consultations with stakeholders <u>or</u> wider research	2
There is some evidence of need for the project but it is not yet clear or well-articulated	1
There is little or no evidence of need for the project	0

4. Giving and Engagement with Businesses - How well does the entry show it will achieve engagement between the VSE sector and business, including: (i) provision of match funding; and (ii) the creation of new opportunities for people and businesses to give time, skills and resources to meet the project aims.

Indicator	Score
The project clearly involves collaboration between VSE agencies and local businesses, with in-kind support and match-funding already in place	3
The project clearly involves collaboration between VSE agencies and local businesses, with a clear well-articulated plan for attracting in-kind support and match-funding	2
The project clearly involves collaboration between VSE agencies and local businesses, but there are few indications of how in-kind support and match-funding will be attracted	1
There is little or no information or signs of collaboration between VSE agencies and local businesses	0

5. Measurable Impact – How well does the entry show it will achieve significant and measurable improvement in the development of people’s employment skills?

Indicator	Score
The project presents a very clear set of employment and skills’ outcomes and impact for local people and it provides examples of the wider social benefits it seeks to achieve. The proposal clearly shows how it will measure and evidence both of these	3
The project presents a very clear set of employment and skills outcomes and impact for local people but does not explain clearly how it will measure and evidence this	2
There is some articulation of employment and skills improvements for local people but these do not clearly enough present the difference that will occur for people or communities	1
There is little or no information regarding project outcomes	0

6. Collaborative Working – How well does the entry show it will collaborate with other VCSE agencies?

Indicator	Score
The project involves collaboration between a number of VSE agencies and shows clearly the distinct and critical role each will play in providing a co-delivered solution	3
The project involves collaboration between a number of VSE agencies and there are some signs of the distinct and critical role each agency will play in a co-delivered solution	2
The project involves collaboration between a number of VSE agencies but there are few signs of the distinct and critical role each agency will play in a co-delivered solution	1
There is little or no information or signs of collaboration	0

7. Asset-based approach - How well does the entry show it will build on the skills, knowledge, talents and ‘assets’ that people and communities have rather than just what they lack.

Indicator	Score
The project shows clearly how it will build on the skills, knowledge, talents and ‘assets’ of the local communities it will work with	3
The project partly shows how it will build on the skills, knowledge, talents and ‘assets’ of the local communities it will work with	2
The project shows few signs of how it will build on the skills, knowledge, talents and ‘assets’ of the local communities it will work with	1
The project shows no signs of how it will build on the skills, knowledge, talents and ‘assets’ of the local communities it will work with	0

8. Potential for scaling up – To what extent does the entry convince that it will act as an exemplar for the sector, containing ideas that have further potential to grow and be replicated?

Indicator	Score
The project shows clearly how it will act as an exemplar for the sector, e.g. with ideas that appear to have further potential to grow and plans for replication elsewhere once learning has been evaluation and new income sources identified	3
The project shows clearly how it will like act as an exemplar for the sector, e.g. with ideas that appear to have further potential to grow and ideas about how replication elsewhere could occur	2
The project shows a few signs of how it will act as an exemplar for the sector but little of substance	1
The project shows no signs of how it will act as an exemplar for the sector	0

9. Sustainability- How clear & convincing are plans for sustainability of the project, after 12 months of operation, assuming no further prize is secured?

Indicator	Score
The project shows clearly how the positive impacts it has generated on people facing multiple disadvantages will be sustained	3
The project shows partly how the positive impacts it has generated on people facing multiple disadvantages will be sustained	2
The project shows a few signs of how the positive impacts it has generated on people facing multiple disadvantages will be sustained	1
The project shows no signs of how the positive impacts it has generated on disadvantaged people will be sustained	0

10. Organisational capacity and track record – How strong is the track record and internal skills of the lead applicant, in particular, and wider partners to a lesser extent?

Indicator	Score
The proposal shows that the lead partner, especially, and wider partners to a lesser extent, have a strong track record and sufficient capacity to deliver the project successfully	3
The proposal shows that the lead partner, especially, and wider partners to a lesser extent, have a fairly strong track record and reasonable capacity to deliver the project successfully	2
The proposal shows a few signs of a strong track record and sufficient capacity amongst the lead partner and/or wider partners to deliver the project successfully but is not completely convincing	1
The proposal shows no signs of a strong track record and sufficient capacity amongst the lead partner and/or wider partners to deliver the project successfully	0

APPENDIX C: LEP PRIZE CHALLENGE – PILOT ROUND ONE (2013 -15)

PROMOTION		CCF	BSF	SEEE
1	Website, materials, launch, publicity & communications			
a)	Website & programme materials - on both LEP/CFC websites, plus hard copy materials	2	2	0
b)	Launch – an event with major personality & linked to LEP promotion overall.	3	3	0
c)	Publicity & communications – including e-bulletins, newsletters, Twitter, press releases, project blog	5	5	0
Totals		10	10	0

DEVELOPMENT, FACILIATION & CAPACITY BUILDING		CCF	BSF	SEEE
2	Support to initial enquirers, development, workshops, provision of capacity building lined to business & delivery planning			
a)	Development & Telephone Support – main focus coming from CFC to provide initial guidance and deal with enquiries	4	2	0
b)	Workshops – Two workshops, and other information dissemination channels sought, co-ordinated by CFC and delivered by BSF to increase understanding of Challenge, and encourage submission of target of 35 prize proposals	2	7	0
c)	Provision of capacity building to 15 shortlisted proposers – Based on short-listing process, BSF asked to support 15 proposers to prepare full proposals/delivery plans, up and including at decision-making meetings	1	15	0
Totals		7	20	0

PROGRAMME MANAGEMENT		CFC	BSF	SEEE
3	Short-listing & selecting of 10 prize award holders, finalists, funding agreements, releasing payments & identifying 3 final winners			
a)	Short-listing, selection of 10 Prize awards – co-ordinating decision-making meetings, liaising with proposers, meeting with LEP board & CFC Trustees	14	0	0
b)	Funding agreements & payments – processing agreements, partnership arrangements, releasing funds to selected 10 prize award holders	4	0	0
c)	Identifying 3 final winners – co-ordinating decision-making meetings with LEP and CFC Trustees	2	0	0
Totals		20	0	0

MONITORING & EVALUATION		CFC	BSF	SEEE
4	Quarterly monitoring, project visits & external evaluation			
a)	Regular project monitoring – assessing progress to agreed milestones, project reports & six monthly visits, ongoing liaison with prize award holders and finalists	18	0	2
b)	External evaluation – undertaken to assess target achievements, outcomes & overall programme development, process during pilot round one period	2	0	8
Totals		20	0	10

ITEM 6: GROWING PLACES FUND (GLENN ATHEY)

SUMMARY: FOR DECISION

- 1. All of the 11 Growing Places Fund proposals now have approved funding agreements in place**
- 2. RECOMMENDATION: The Utility improvements for Northstowe £780,000 loan to South Cambridgeshire District Council will not draw down funds until October 2013. Therefore it has been recommended by the Investment Subcommittee that this is funded through the GPF recycled loan repayments, and that £780,000 is now available for allocation to new projects**
- 3. RECOMMENDATION: issue a public notification of a call for proposals to allocate the remaining £780,000, with a 6-week submission period.**

Background

4. Since April 2012, 11 Growing Place Fund proposals have been developed with partners. The Fund totals £15,678,000 capital, and £322,000 revenue to support management and costs associated with the funding programme. To date, all of the proposals have approved funding agreements in place.
5. The Utility improvements for Northstowe £780,000 loan to South Cambridgeshire District Council will not be drawn down until October 2013 at the earliest.
6. The investment subcommittee has recommended that the Northstowe £780,000 loan to SCDC could be financed out of recycled GPF funds, as loans are due for repayment over summer that would accommodate this.
7. This now leaves £780,000 available for allocation and therefore a new call for proposals would seem appropriate.
8. RECOMMENDATION: issue a public notification of call for proposals along the following lines:
 - 6-week timescale from notification to submission deadline
 - Prioritise projects which achieve jobs, economic growth, business investment
 - Priority goes to projects which can draw down funds and realise benefits within less than 12 months of signing a funding agreement
 - In accordance with GCGPEP established funding criteria
 - Loan funding considered as well as grants
 - Provision for use for project development – e.g. towards costs of developing proposals that may lead to large scale capital investment – e.g. up to £100,000 in grant funding available to assist with project development costs that could lead to projects resulting in investments of over £5 million in the GCGPEP area

AOB (I) FOR INFORMATION: REGIONAL GROWTH FUND PROGRAMME BIDS (AUTHOR: GLENN ATHEY)

SUMMARY

- 1. GCGPEP have been working with local authority partners and Opportunity Peterborough to develop two programme bids for Regional Growth Funds.**
- 2. 2 bids are in development:**
 - Growth Hubs programme: a £5-10m SME growth programme centred around existing incubators and managed accommodation for growth SMEs**
 - International food hub and research commercialisation programme**
- 3. At this stage, the financial implications for GCGPEP are negligible. If successful, RGF programmes would require a small amount of senior executive management by GCGPEP. The bulk of admin and other costs would be subsumed into the programme bid.**
- 4. Both programme bids, if submitted by the deadline of 20 March, would represent an expression of interest. Should either of these be shortlisted, there is a significant process of providing further details, due diligence and a formal funding offer which would require formal acceptance.**

GROWTH HUBS PROGRAMME CONCEPT

- 5. There is a strong case for GCGPEP to prioritise development of the GCGP innovation ecosystem in a more consistent and cohesive manner than hitherto. A 'growth hub' branding and initiative can be a significant feature of this process. There are clearly identified accommodation, funding, and innovation support gaps in the ecosystem that can be bundled together into a synergistic programme**
- 6. This programme can be submitted to RGF R4 as an application of the order of £5-£10m. This will require considerable additional work between now and the application deadline (March 20th), and might even then not present a fully-rounded proposal. However, such work might still be merited as part of a longer term process of building the GCGP innovation ecosystem. .**

INTERNATIONAL FOOD HUB AND RESEARCH COMMERCIALISATION PROGRAMME CONCEPT

- 7. This initiative aims to champion and promote growth in the £9.6 billion international food industry hub that is present in Greater Cambridge Greater Peterborough. Full supply chain capability and global leaders in the food industry are already present in the region, as well as some international research institutes and a thriving SME base. The region has significant capability for further growth, particularly through the application of new ideas and research to commercial activities and processes. And the research and technology capability is also present in the region – whether in specialist food related institutes or through companies that are pioneering the use of new technologies in the food industry.**
- 8. This initiative will seek to boost growth, supply chain development, new market development, and the application of new technology in the food industry – which will yield long term market advantage, new jobs, new investment and economic growth.**
- 9. Creating a high-profile initiative with private sector leadership, £5m worth of support will be delivered to the food industry that will result in 300 new jobs and £25 million in GVA. Assistance to businesses will include an advisory service, a business-led network and co-investment programme; £1m in growth grants; a £1.8m loan scheme; a specialist skills fund; and £1.5m R&D grant fund.**

AOB (II) FOR INFORMATION: LOCAL TRANSPORT BOARD FUNDING (AUTHOR: GA)

SUMMARY

- 1. Local Transport Body (LTB) is being established for the Greater Cambridge Greater Peterborough area, including Cambridgeshire, Peterborough & Rutland. Its purpose is to administer up to £21m in local transport funds 2015-2019. To make effective use of these funds, work has started now on launching the process of calling for proposals and establishing an appraisal and selection process.**
- 2. DfT is not providing any administrative funding to manage and run the LTB and conduct necessary appraisal and due diligence associated with transport project proposals. It has been estimated that the three local authorities are inputting 'in kind' resources of £95,000 into the process, but that a funding gap has been identified of £90,000 in the first year of operations - largely to cover the costs of evaluating and appraising projects at the expression of interest stage.**
- 3. It has been suggested by LTB local authority partners that GCGPEP should cover the £90,000 cash funding shortfall - utilising the £131,000 in funding that the DfT has allocated and paid to LEPs. Formally there is no mandated use of these funds by DfT – LEPs are free to allocate the funds at their discretion.**

BACKGROUND TO LOCAL TRANSPORT BOARD

- 4. A Local Transport Body (LTB) is being established for the Greater Cambridge Greater Peterborough area, including Cambridgeshire, Peterborough & Rutland. The LTB is currently in shadow form and its constitution is subject to Government agreeing and signing off the LTB Assurance Framework. This is required by Government to provide assurance that robust governance and processes will be in place to agree and oversee a programme of local major schemes in support of key local objectives. The Draft Assurance Framework, which has been approved by Cambridgeshire's Cabinet, is available at the following link.
<http://www.cambridgeshire.gov.uk/CMSWebsite/Apps/Committees/AgendaItem.aspx?agendaItemID=6466>**
- 5. Establishing such a body provides an opportunity to secure devolved funding from April 2015 onwards towards key major local transport schemes in this area. We are expecting in the order of £21m for the whole LTB area but could be 30% less or more depending on the outcome Government's spending review in the autumn. In this context, this is not a significant amount of funding for major schemes over a 4 year period. However it represents an important opportunity nonetheless to contribute towards supporting the delivery of a small number of priority schemes that best meet the criteria and deliver on local objectives.**
- 6. GCGPEP has a board position on the LTB, along with Cambridgeshire County Council (3); Peterborough City Council (2) and Rutland County Council (1).**
- 7. Government is proposing to devolve funding through Local Transport Bodies (LTBs), who will start the process of developing a programme of priority schemes for consideration of investment from April 2013 onwards. The LTB will become responsible for prioritising major scheme funding, based on a set of eligibility and value for money criteria, which are available in the Framework and further technical guidance, is available on our website www.cambridgeshire.gov.uk under Transport pages / Local Transport Body.**
- 8. Cambridgeshire County Council has agreed to become the Accountable Body responsible for the administration and accountancy of the LTB. In this new role, we are issuing this "Call for Schemes" on behalf of the shadow LTB. This is in view of the tight timetable required by the Department for Transport**

for LTBs to establish themselves and form balanced and deliverable programmes of priority schemes by end of July 2013 for schemes to be delivered from April 2015 – to 2019.

9. The Shadow GCGP LTB is inviting stakeholders – Local Transport Authorities and other interested parties to propose possible major schemes which meet the following eligibility criteria:
 - Purpose - The scheme should primarily have a transport purpose, i.e. located on (or as an extension to) the highway, railway or other transport corridor and benefiting specific user groups (e.g. motorists, bus passengers, cyclists etc).
 - Cost Threshold and Affordability - The scheme must cost at least £2 million (unless an exceptional case is made) and must be for capital (infrastructure) measures.
 - Strategic Impact - Schemes need to show how they positively affect the wider area beyond their immediate location. Very local schemes won't be funded.
 - Scheme Type - Schemes could include for example, highway improvements, integrated transport packages, rail improvements or major highway maintenance.
 - Contribution to Policy Objectives - The schemes need to show how they contribute to current and emerging local and national policy objectives. Major schemes should, in particular, contribute toward sustainable local economic development.
 - Funding Sources - Major scheme funding may be sought for eligible schemes where there are no other realistic options. It will be possible for major scheme money to part fund a scheme with other "matching" contributions.
 - Deliverability - Any proposed scheme should demonstrate public support; and be deliverable within a clearly defined timescale (by March 2019 at the latest).
 - Financial requirement - A local contribution of at least 10% of scheme costs must be included in the bid, unless the LTB consider exceptional circumstances. A local contribution can be made up of both local authority and other third party funding.
10. DfT is not providing any administrative funding to manage and run the LTB and conduct necessary appraisal and due diligence associated with transport project proposals. It has been estimated that the three local authorities are inputting 'in kind' resources of £95,000 into the process, but that a funding gap has been identified of £90,000 in the first year of operations – largely to cover the costs of evaluating and appraising projects at the expression of interest stage.
11. It has been suggested by LTB local authority partners that GCGPEP should cover the £90,000 cash funding shortfall – utilising the £131,000 in funding that the DfT has allocated and paid to LEPs. The DfT funding award was made as a 'gift' to LEPs to reward their transport work to date and provide resources to continue transport work. Formally there is no mandated use of funds – LEPs are free to allocate the funds at their discretion. Use of these funds from the GCGPEP Limited bank account would incur VAT also – the actual cost to GCGPEP would be £108,000
12. Another mechanism might be the Growing Places Fund. £780,000 of GPF is available that now needs to be allocated. This could be made on a grant funding basis, which would not be eligible for VAT.