



SE LEP and SEFUND

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Kent & Medway Business Advisory Board

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LEPs: What's our purpose?

“to provide clear vision and strategic leadership to drive sustainable private sector-led growth and job creation”

Local Growth: Realising every place's potential, 2010

A map of the Iberian Peninsula with a red rectangle highlighting the study area in the north-east of Spain, specifically in the region of Catalonia.





The biggest...

- Kent, East Sussex, Essex, Medway, Southend Thurrock
- Aim is to drive economic growth across the South East
- One of 39 LEPs across the country established by Coalition
- Major priority is enabling new private sector jobs and homes
- Provides business lead in shaping Government investment in economic growth
- **Housing delivery has been identified as a major priority**



...But also aims to be the most local

- “Overarching” strategic Board enables local decision-making according to local priorities
- “Federated areas” select SE LEP Board Members
- Kent & Medway Economic Partnership effectively a “mini-LEP”
 - Agrees local economic priorities
 - Prioritises projects and schemes
 - Brings together business and council leaders
- Kent & Medway Business Advisory Board (BAB)
 - Wider business forum from which KMEP members are drawn

Federated Boards



SE LEP Board
Peter Jones Chairman

**Kent & Medway
Economic
Partnership**

Geoff Miles – Chair
and Kent &
Medway Vice Chair

Administered
by KCC

Team East Sussex

Graham Peters –
Chair and East
Sussex Vice Chair

Administered
by ESCC

**Greater Essex
Business Board**

Simon Brice - Chair
George Kieffer –
Vice Chair for Essex

Administered
by ECC

**Growth
Partnership**

Kate Willard –
Chair and
Southend
Airport/Stobarts

Administered by
Thames Gateway
South Essex
Partnership

The Future of SE LEP?

- SE LEP Board last Friday
- Agreed LEP must always be best for business growth
- Strongly held views:
 - Break down into constituent parts (primarily based around county boundaries)
 - Retain the scale/current federal structure
- Alternatives to come forward to Government from Kent and Essex

Growth Deal

SE LEP Growth Deal with Government:

- £480m
- Transport schemes, inc M20 J10A, Thanet Parkway, Tonbridge Town centre and £6m K&M “Growth Hub”
- **Down payment**
 - £4b remains in Government’s Local Growth Fund for competitive distribution
- **Flexibility within programme**
 - Local management of capital programme according to local priorities
- **New freedoms/responsibilities**
 - Includes new responsibilities around skills, housing, transport
- **Just the start...**
 - Commitment from Government to devolution
 - Focus on jobs and housing
 - £12b national pot (with desire for more)



Building the Future: Our housing priorities

- **Deliver our Growth Deal!**
- **Bring together all parties (HCA, councils, developers, finance, utilities) involved to drive development forward**
Working together with local councils, the HCA and developers on large and priority sites, assembling evidence, identifying obstacles and finding solutions
- **Encourage and support councils to bring forward their local plans**
Embarking on a series of meetings with planning authorities to support and review the local planning process, promoting development where it is wanted - and protecting from unwanted development where it is not
- **Review the performance of utility companies**
Gathering evidence of performance and taking action to ensure utility companies help - not hinder - local growth
- **Promote best practice**
Supporting events and meetings to share best practice and information sharing to support all to the standard of the best (eg use of HRA debt cap, establishment of local development companies)
- **Look across LEP boundaries**
Looking at the plans and proposals of neighbouring LEPs and their impact in preparing for accelerated growth.

EU Funding

Let's not forget:

- £180m won for the SE LEP area
- Structural Investment Funds =
 - European Social Fund
 - European Regional Development Fund
 - European Agriculture Fund for Rural Development
- To support business and skills across the SE LEP area



SEFUND

- Rolling investment fund for SE LEP area
- Seeded with £50m Growing Places Fund
- Ambition to grow to £5b+
 - Through investment in fund, in projects, through brokerage
- Clear investment strategy
- Professionally developed, proven model



- CBRE and Pinsent Masons Team



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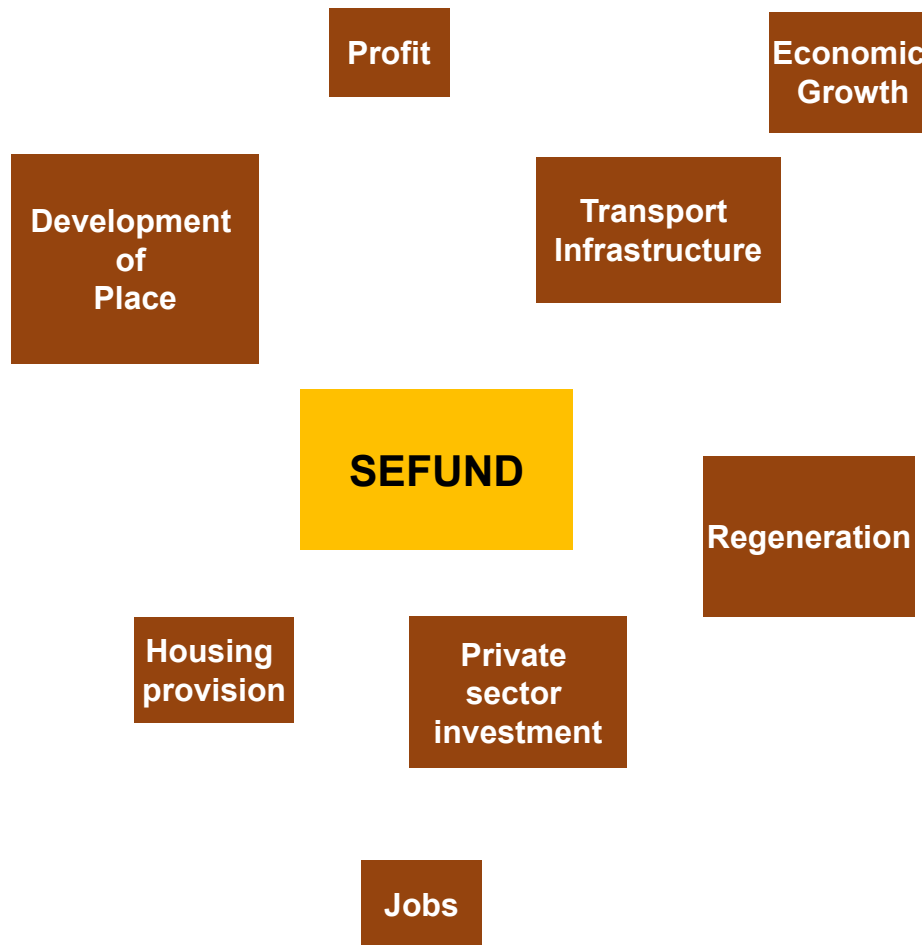
scot.morrison@pinsentmasons.com

Strategic and Tactical Aims for the Fund



- Developing Focus

- Distribution and Manufacturing Units?
- Town Centre Regeneration?
- Homes?
- Roads?
- Offices?
- Cables and networks?
- Decontamination and Site Preparation?
- Flood Defences?



Investment Strategy

- No Grant
- Not to Supplant Private Finance
- 3 Year Finance
- £1m Minimum Size
- Predominantly Loan
- Must Contribute to SE Economic Strategy

Outputs

Jobs created and supported by provision of real estate

Homes delivered [next phase of capital]

Amount of potential Grade A or appropriate for location work space provided (including enabling)

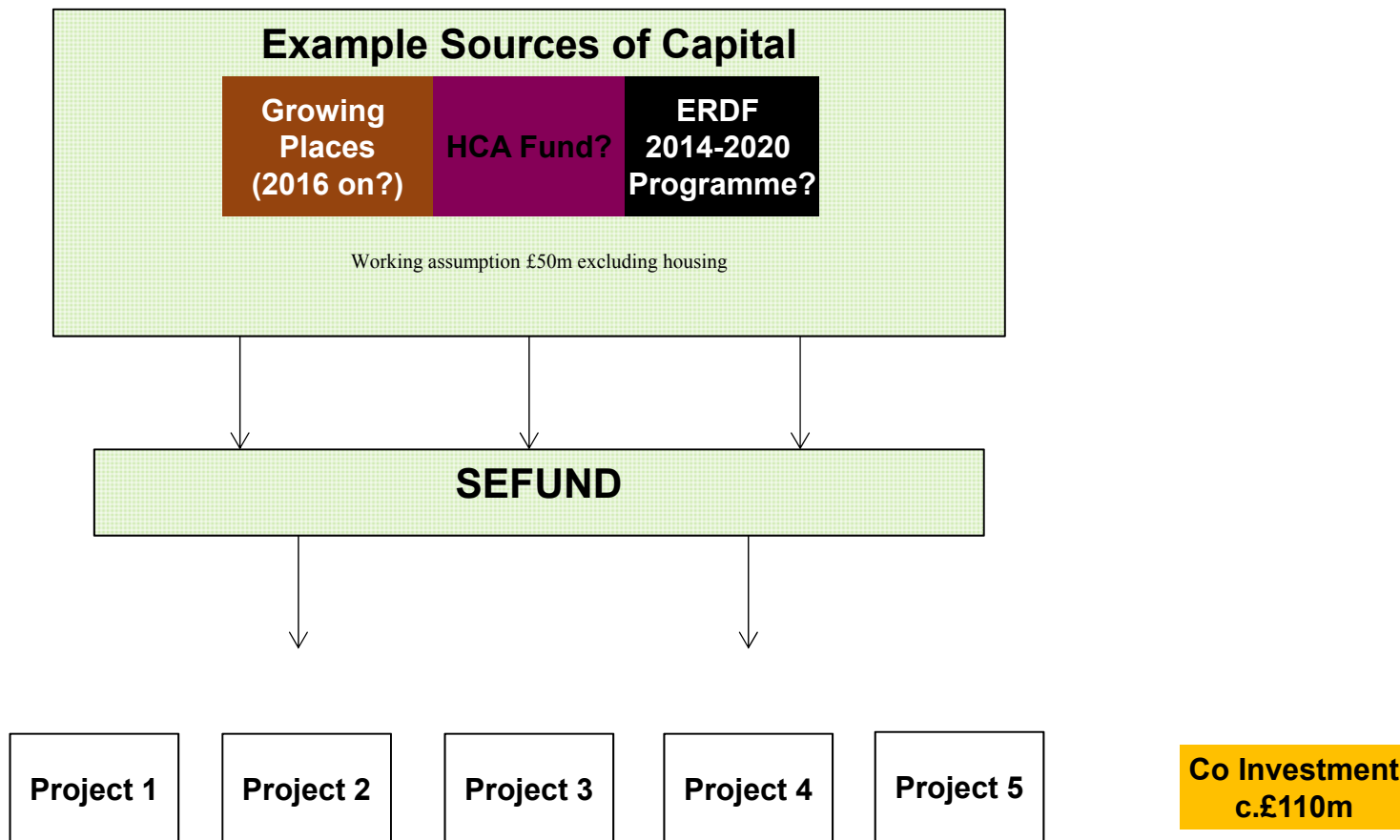
% Leverage of third party investment

Brownfield land reuse

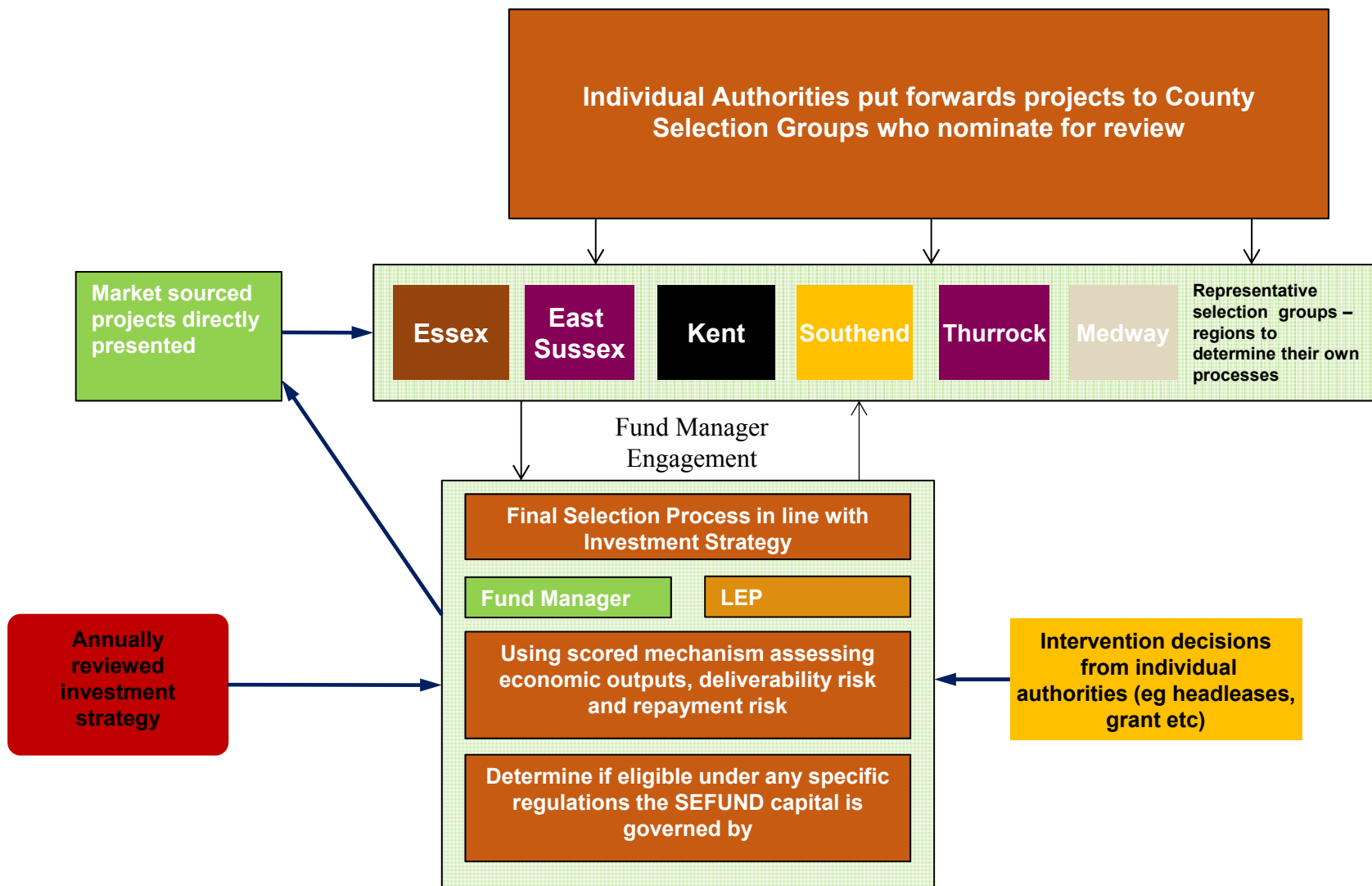
Investment Type	Economic Strategy Key Area	Cross Cutting Theme
Quality Office	Competitive Locations	Placemaking
Site Servicing for Logistics, Advanced Manufacturing, etc	Accelerating Growth; Competitive Locations	Town Centres
Logistics and Manufacturing Units	Accelerating Growth; Competitive Locations	21 st Century Workforce - Across all investments, contractors should be required to have appropriate apprenticeship schemes
Logistics, Manufacturing Units and Grade A Office supporting/supported by sea and air ports	Accelerating Growth; Competitive Locations	
Low Carbon schemes	Accelerating Growth; Competitive Locations	
Real estate to support High Value Sectors	Accelerating Growth; Competitive Locations	Leverage of private sector investment to reach £6bn target
Housing delivery [next phase of capital]	Housing Delivery; Competitive Locations	Investing in the Transport Growth Corridor

How the Fund will be Capitalised

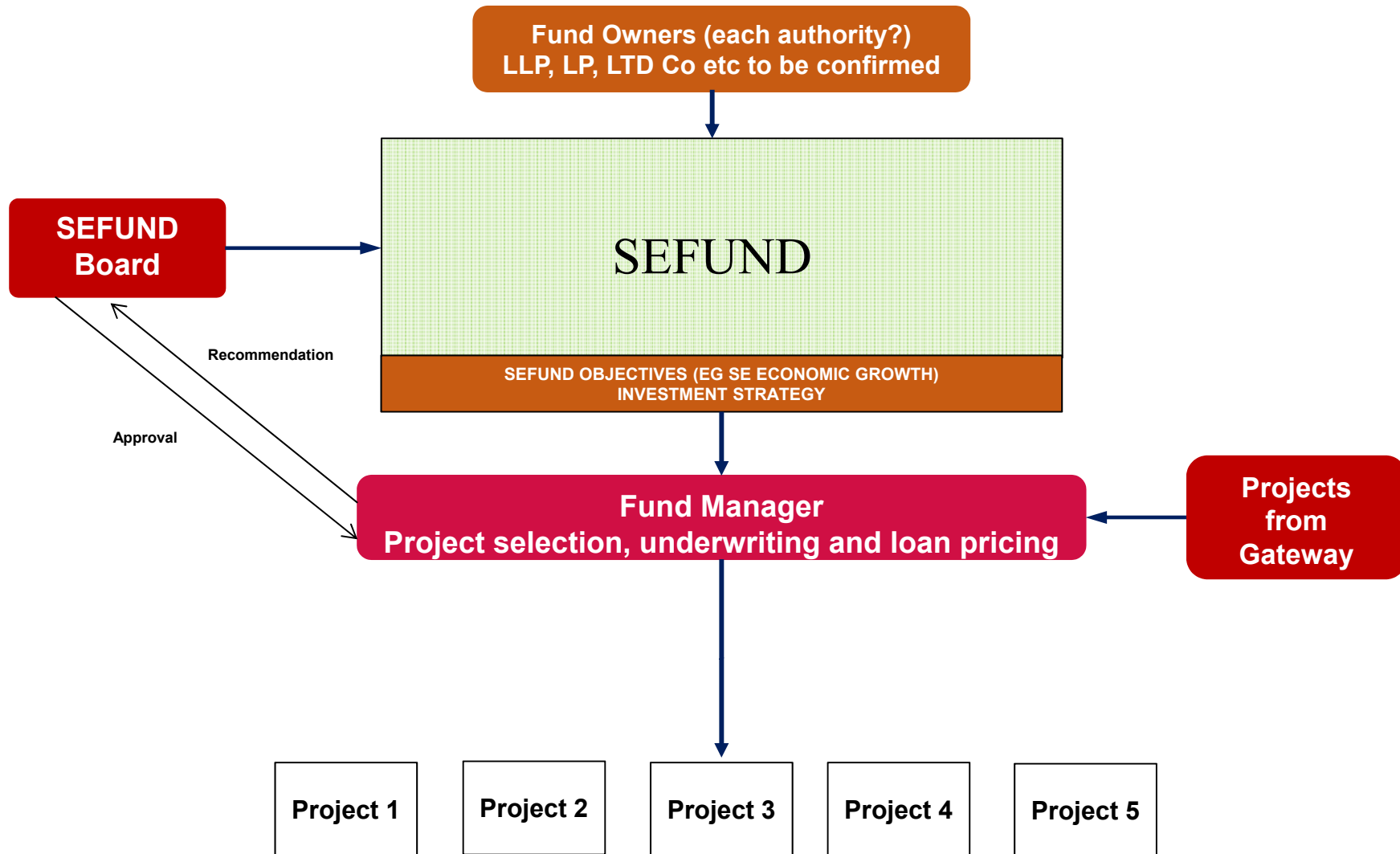
- Flow of Funds



SEFUND Project Selection Gateway

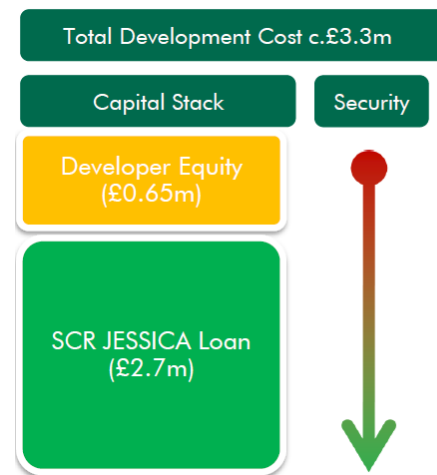
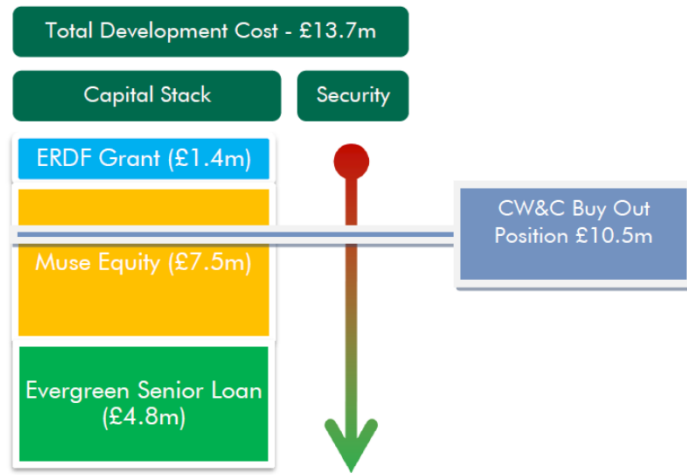
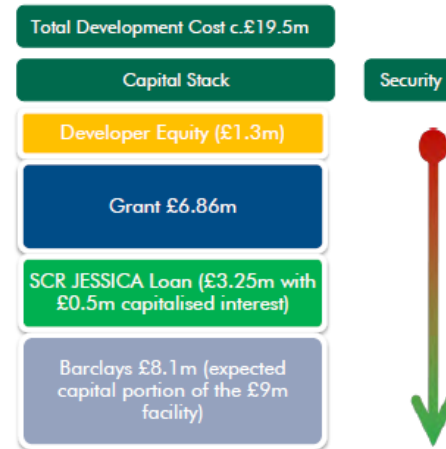
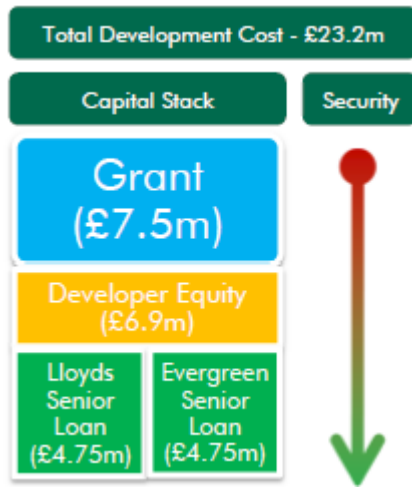


SEFUND Decision Making





Example Finance Structures



Proven model, proven delivery



SE LEP: Punching our weight *(whatever the geography!)*

- How do we secure, extend and accelerate SEFUND?
- What should be in our next Growth Deal?
 - Capital projects?
 - New freedoms and flexibilities?
- Where else should we be shaping/influencing national growth policy?
- What are the major strategic issues for you?
- How can LEP add volume to your business voice?