

Gloucestershire Infrastructure Investment Fund (GIIF)

Guidance Notes

Need help to bring a site forward for development? The Gloucestershire Local Enterprise Partnership (LEP) can help!

In the current economic climate, many otherwise viable schemes are not able to proceed because capital constraints have reduced the flow of investment in the infrastructure that can unlock development.

The Gloucestershire LEP has been awarded **£8.4m** by the Government from the nationally available **Growing Places Fund**, to stimulate local economic growth by enabling targeted investment to unlock constrained and stalled development sites and help to realise potential development value, new jobs, housing and regeneration to support the local economy.

The **Gloucestershire Infrastructure Investment Fund (GIIF)** can provide upfront capital funding for potential projects. However, consistent with the requirements of the Government's Growing Places initiative, investment is awarded on a forward funding basis and provided in the form of an interest free loan. The loan will need to be repaid as the development proceeds. Revenue created is recycled back into the fund to support further investment awards and support a longer term approach to infrastructure provision in the County - a mechanism known as a 'revolving infrastructure fund'. There is an arrangement fee that will apply to any successful investment award.

The Gloucestershire LEP, working closely with Gloucestershire County Council, welcomes expressions of interest for investment funding from the private sector, local authorities and any other interested parties for provisional consideration of potential project proposals.

Any potential projects will be required to meet a broad set of qualifying criteria, recognising that the main purpose of the revolving fund is to help bring forward key developments and stimulate sustainable local economic growth. The LEP is keen to build up a pipeline of potential projects that will form part of a Strategic Infrastructure Investment Portfolio for Gloucestershire, which other future funding mechanisms of support could be targeted towards.

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How to Apply

If you have a potential project that may be applicable for this fund, then please contact the Economic Growth Team at the County Council via email edteam@gloucestershire.gov.uk This team programme manages the fund on behalf of GFirst LEP.

To register an expression of interest, applicants will then be required to complete a short application form, copies of which can be found on the Gloucestershire LEP website. **www.gfirstlep.com**

The information contained in the application form will be used to determine basic eligibility for investment and/or further development support needs. Project proposals considered eligible for potential investment will be invited to proceed to the next stage and will be required to submit more detailed information to enable a full business case assessment to be made.

Qualifying Criteria

Capital funding up to the minimum level required to ‘unlock’ an otherwise constrained development. In summary, all potential investment proposals must:

- Be able to clearly identify a delivery timeframe ie. have planning permission and/or be in the process of acquiring it and with a clear project plan in place
- Resolve cashflow, or development co-ordination/packaging issues and not be principally concerned with covering a gap in overall funding
- Demonstrate how the GIIF will be paid back, including the re-payment mechanism, time period and rate of return
- Identify key outputs ie. employment floorspace or housing units, including milestones for delivery and how this will be monitored

Project proposals will also be required to demonstrate how they could contribute to the overarching objectives of the Gloucestershire LEP, these being to:

- Attract and retain the next generation of talent and build on the expertise of current business professionals
- Attract and retain successful, growing businesses
- Grow sustainably a range of key sectors
- Stimulate a culture of enterprise in our school, college and university leavers
- Encourage businesses to understand their future skills needs and invest in their people
- Integrate education and the skills sector which delivers for the economy and business
- Integrate and improve transport infrastructure
- Encourage broadband service provision and usage that matches the best in the UK
- Support a planning system that delivers efficiently and consistently for business

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Process Summary

- 1. Expression of Interest** - The GIIF is open for Expressions of Interest submitted on the required form and outlining basic information relating to site details, scheme description, costs, potential economic output, investment needs, payback mechanism and timescales. All proposals submitted will be acknowledged within 3 working days by email.
- 2. Investment Business Case** - Proposals considered eligible for potential investment will be required to submit more detailed information, which will be independently appraised, assessing issues of deliverability, value for money and viability/repayment before being considered by an Investment Panel drawn from LEP business representatives, Local Authorities and the Homes & Communities Agency. The Investment Panel consider proposals and make recommendations on funding awards, which are then subject to approval and ratification by the Gloucestershire LEP Board.

Additional Information – Successful schemes recommended for a funding award which is subsequently endorsed by the Gloucestershire LEP Board, will receive a formal offer of investment funding and then enter the contract negotiation process. If the investment award terms are accepted by the applicant, final arrangements will be translated into a formal loan agreement. On accepting an offer of GIIF investment applicants will be liable to pay an arrangement fee to cover the application processing costs and contractual negotiations even if ultimately the investment funds are not taken.

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Timetable

The underlying objective of the GIIF is to build a comprehensive strategic infrastructure investment portfolio for the County, which other mechanisms of support may also assist with, alongside replenished infrastructure investment funds. The Gloucestershire LEP is keen to receive expressions of interest at any time, for general consideration and advice.

Further information

Further information, a copy of the expression of interest template and FAQs are available on the Gloucestershire LEP website. www.gfirstlep.com

If you have any queries or require further information please contact the Programme Management Team based within the County Council on edteam@gloucestershire.gov.uk

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