Communities and Local Government

Department for Transport

Growing Places Fund

Prospectus

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November 2011
Department for Communities and Local Government

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Ministerial foreword

Since coming to office, the Coalition has made the promotion of growth a priority, through a commitment to debt reduction and targeted measures to support business.

Careful prioritisation and financial management allows us to do more to help support growth in our localities and get developments moving. One way we are doing this is to promote delivery of the key infrastructure needed to unlock developments, helping to generate the jobs and homes communities need, supporting this Government's growth ambitions.

To do this, we have announced the £500m Growing Places Fund which is being led by our two Departments, and has three overriding objectives:

- to generate economic activity in the short term by addressing immediate infrastructure and site constraints and promote the delivery of jobs and housing

- to allow local enterprise partnerships to prioritise the infrastructure they need, empowering them to deliver their economic strategies

- to establish sustainable revolving funds so that funding can be reinvested to unlock further development, and leverage private investment.

We expect our investment to enable the creation of local enterprise partnership led local infrastructure funds across England. These will provide the up-front funding needed to get development underway, and give local areas the flexibility to recycle funding for other projects as developments are completed.

Local enterprise partnerships are invited to submit proposals, on the basis they have an identified lead local authority that will receive and account for the funding, on behalf of all members of the partnership. The Growing Places Fund will not provide individual local authority allocations – the priorities for funding will need to be agreed by members of the partnership.

We want to encourage local enterprise partnerships to think creatively about the most appropriate arrangements for operating local infrastructure funds to maximise their economic impact. This might mean joining together with other local enterprise partnerships to form a larger grouping – whilst we expect groupings of a sufficient size to enable critical mass, it will be for local areas to decide how best to achieve this.

As well as the wider economic benefits we expect to be delivered, we want to encourage quick progress and therefore expect to see places initially targeting projects which are ready to go.

Eric Pickles
Secretary of State
Communities and Local Government

Justine Greening
Secretary of State
Transport

Introduction

1. Infrastructure is essential to realising the nation's ambition for continued housing and economic growth; enabling it to happen and ensuring it is sustainable in both urban and rural settings. Forward funding of infrastructure – particularly where development interests are held by a number of parties – can be challenging to secure in advance of development.

2. 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 physical infrastructure which unlocks development (e.g. transport, utilities and flood defence), stymieing the creation of much needed homes and jobs.

3. The Growing Places Fund aims to help address this constraint; enabling targeted investment in pieces of infrastructure which unlock development, allowing places to realise development values which can be recycled to provide a longer term solution to infrastructure provision.

Details of the Fund

4. The Department for Communities and Local Government (DCLG) and the Department for Transport (DfT) will jointly administer the Fund, with funding allocations issued by DCLG.

5. We want to move quickly in making payments. Allocations will be made in the financial year 2011-12, and paid to a lead local authority for each partnership – the lead local authority will be the accountable body for any money granted, and their agreement to act in this capacity is vital.

6. The Fund will have the following key features:

7. **It should be used to help establish sustainable revolving funds**
Our view is that this is a major opportunity for local areas to establish a recycling fund – as projects unlock development, the developers would use a proportion of land value uplift or financial receipts to repay the public sector outlay. In other places other contractual models could be used for investment recovery. Initial funding could be recouped or interest paid and recycled into new infrastructure projects, such as those relating to transport, utility provision, flood defences or other constraints which are prohibiting development. We need to know that local partnerships are committed to using the fund for the provision of infrastructure to unlock jobs and housing, and will target projects which represent good value for money.

8. Government and its agencies are willing to work with areas to develop appropriate financial mechanisms and share good practice, drawing on experience from developing Regional Infrastructure Funds and similar mechanisms. There is also a lot of experience at local level to draw from, for example in Cambridgeshire, where a revolving fund has previously been established to deliver infrastructure projects. We will discuss with local enterprise partnerships how best we can work with them in developing and refining propositions, and welcome any views on what assistance would be helpful in this respect.

9. To get economic activity going we envisage the funding being directed towards stalled sites, given that these are likely to progress quickly once capital is injected. We would advise against using the allocation to fund a single project given that this will limit the ability to run a recycling investment fund.

10. Operating the funding on a revolving basis will enable Partnerships to take a programmed approach to infrastructure delivery, identifying projects which can be phased and delivered as initial investments are returned.

11. **Funding will be locally owned**
The Growing Places Fund is intended to put local areas in the driving seat, taking decisions on local priorities for investment. It is for local areas to decide the appropriate geographical scope for the fund, the nature of the partnership and governance, how prioritisation is done and the precise mechanism used to create local revolving funds.

12. However, we also believe that it would be helpful to ensure that there is sufficient "critical mass" to ensure that areas receiving funding are big enough to support a range of projects which can proceed at different rates, allowing effective recycling. This will have the additional benefit of creating efficiencies in the management of the funding.

13. Local enterprise partnerships should look to work collaboratively where necessary to achieve critical mass; creating a joint infrastructure fund and detailing this in their pre-qualification proposals (see paras 24-28). Funding will be issued under section 31 powers, and can therefore only be paid to a local authority. In each grouping a local authority should be nominated to act as lead accountable body for the funding.

14. The lead local authority will need to be accountable for the funding and act as fund manager. This will involve ensuring that funds are allocated and spent in line with local government accounting procedures including taking into account any state aid issues. The accountable local authority will be required to submit a statement to Government at the end of 2011/12 confirming that the single condition that capital funding is spent on capital projects will be adhered to.

15. **The Growing Places Fund will be unringfenced**
We will allocate funding using an unringfenced approach, which comes with the single condition that capital allocations are spent on capital projects. This will provide local partnerships with greater flexibility, and fits with the wider localist agenda to give more control to local authorities and partnerships and reduce central bureaucracy. It also means that funds can be allocated to partnerships promptly, before the end of the financial year.

16. However, we expect funding to be used to establish recoverable models to take forward infrastructure projects and require local partners to set out how they will do this through a simple pre-qualification questionnaire. In order to maximise value and unlock growth quickly it is likely that priority will need to be given to projects which have planning permissions and other legal consents in place, and are ready to proceed with a cash injection on an investment basis. Any detailed financial arrangements, e.g. around the nature and form of investment are for local decision.

17. **The Growing Places Fund will be allocated to local areas by formula**
Competitive bidding rounds can be time and resource intensive. Considering this and the Government's commitment to localism we will allocate funding to qualifying bodies which apply for the fund on a consistent basis, through a formulaic approach.

18. In developing this formula two overarching criteria were used; first, that the formula should be as simple and transparent as possible; and second, that in so far as possible the formula should seek to allocate funds to areas which are best placed to deliver early growth.

19. We will use a formula based on two components: population and employed earnings. This is a relatively simple formula that accounts for the size of the local enterprise partnership, and provides a good proxy for the economic activity. By combining the indicators we are able to provide a smoother distribution than using either of them independently.

20. The table at **Annex A** illustrates how this formula will work and gives an indicative allocation for each local enterprise partnership, which could be pooled by groups of partnerships working together.

21. **Resource funding**
The majority of funding available is for capital spend. However, up to 2 per cent of funding is being set aside as resource to help partnerships manage the new local funds. In addition to setting out how local partnerships would meet the pre-qualification criteria, partnerships will also need to set out briefly how much of the potential resource is required and indicate how this would be used.

22. There will only be a single resource allocation and payment. It will be unringfenced, giving flexibility around how this funding is allocated, but once the allocation is used places will need to make arrangements to fund ongoing revenue expenditure locally.

23. Economic development activity is devolved in London and in the Devolved Administrations. The Devolved Administrations will receive Barnett consequentials in the usual way. The Greater London Authority will receive £39m.

Accessing the Fund - pre-qualification criteria

24. Although we are not undertaking a competitive approach, partnerships will need to demonstrate that they can meet certain criteria in order to qualify for the fund, and we expect places to be fully transparent in the proposals put forward. Places should be able to show a clear mechanism for making available to the public information on how the money will be spent, and to what timeframe.

25. We expect places to move swiftly in establishing funds and allocating money to priority projects, demonstrating publicly the impact which will be achieved.

26. Specifically, partnerships will need to demonstrate that:

    - They are committed to using the Growing Places Fund to generate economic activity in the short term by addressing immediate infrastructure and site constraints which promote the delivery of jobs and housing

    - They have appropriate governance arrangements in place which will secure value for money in the use of the Fund

    - They have appropriate arrangements in place to deliver transparency in the use of the Fund.

27. A template to help demonstrate how partnerships meet the pre-qualification criteria is at **Annex B, this is also available as a Word form on the DCLG website.** The opening question in each section should be supported by sufficient evidence in the subsequent questions to justify the response. In addition, if partnerships do have specific projects in mind then we would welcome details of these as an annex to the pre-qualification questionnaire.

28. Once submitted the template will be considered by Government before funding is confirmed and payments made.

Next steps

29. We want to be prompt in the allocation of funding. This means that local enterprise partnerships will need to work with pace to identify appropriate groupings, putting in place the necessary administrative arrangements and identifying priority projects, which should be ready to deliver with the injection of capital funding.

30. We are inviting proposals from local partnership groupings wishing to receive funding. Proposals should be received by **5pm on 20 December,** and we are happy to work with those places who want to move more quickly than this.

31. Proposals should be submitted electronically to the following address; *growingplacesfund@communities.gsi.gov.uk*

32. The Departments will consider proposals with a view to announcing funding at the end of January, with single payments made to the accountable local authority by the end of the 2011/12 financial year.

Support

33. To help develop proposals a series of workshops will be held across the country in November and further details will be sent to local enterprise partnerships in due course.

34. In addition partnerships may wish to talk to Government, its local teams (within which there will be a designated contact), and organisations such as the Homes and Communities Agency to test ideas and proposals for how the funding might operate locally.

35. It might also be useful to consider examples of other infrastructure funds - further suggestions and information is given at **Annex C.**

Future funding

36. There are no current plans for additional funding, but should any future funding become available then it would likely be distributed based on the performance and delivery achieved with the initial Growing Places Fund allocations.

Contacts

37. If partnerships have any questions about the process, please send these to growingplacesfund@communities.gsi.gov.uk, or speak to the local DCLG, DfT or BIS contact.

Annex A

Indicative distribution to local enterprise partnerships by formula

Growing Places Fund - Indicative local enterprise partnership distribution	
	(£)
England	**449,999,998**
(The) North Eastern Local Enterprise Partnership	16,712,905
Tees Valley	5,694,058
Cumbria	4,440,917
Lancashire	12,879,177
Greater Manchester	24,739,591
Liverpool City Region	12,979,358
Cheshire and Warrington	8,751,074
York and North Yorkshire	6,217,647
Leeds City Region	23,991,391
Humber	5,816,714
Sheffield City Region	12,307,688
Lincolnshire	6,493,608
Derby, Derbyshire, Nottingham and Nottinghamshire	17,466,313
Leicester and Leicestershire	8,896,731
Stoke and Staffordshire	7,611,590
The Marches – Shropshire, Herefordshire, Telford and Wrekin	5,438,945
Black Country	9,619,452
Worcestershire	3,667,852
Coventry and Warwickshire	8,519,680
Greater Birmingham and Solihull	14,932,970
South East Midlands	13,100,217
Northamptonshire	3,925,692
Buckinghamshire *	4,167,713
Greater Cambridge & Greater Peterborough	10,664,599
Hertfordshire	10,078,517
New Anglia	12,046,767

Growing Places Fund - Indicative local enterprise partnership distribution	
London	39,445,808
South East – East Sussex, Essex, Kent, Medway, Thurrock and Southend	32,553,542
Coast to Capital	15,083,882
Enterprise M3	14,435,316
Solent	12,008,783
Oxford City Region	5,996,797
Thames Valley Berkshire	10,649,405
Gloucestershire	5,638,139
West of England	11,324,861
Swindon and Wiltshire	6,218,540
Dorset	6,392,150
Heart of the SW	14,263,733
Cornwall and the Isles of Scilly	4,211,133
No local enterprise partnership	616,743

Notes:

(1) Allocations do not sum to £450m due to rounding. £50m is to go to the Devolved Administrations;

(2) Formula weighted distribution using district level data (2010), with Population and “Employed Earnings” (employment multiplied by earnings) given equal weighting;

(3) Economic Development activity is devolved to the Mayor of London, and specific funding arrangements for transport and local economic development are already in place for this year. The entitlement for the London Local Enterprise Partnership is therefore restricted to money coming from the Reserve (£250m in total, less £50m entitlement for Devolved Administrations);

(4) Where districts are in overlapping local enterprise partnerships, the entitlement as a result of that district is split equally between those local enterprise partnerships;

(5) An allocation has been set aside to allow for any districts yet to join a local enterprise partnership.

* Subject to Ministerial approval of local enterprise partnership proposal.

Calculation of allocations: overview

The formula seeks to allocate funds to areas best able to take advantage of them in order to stimulate economic activity. The formula also takes into consideration the population of an area. These two factors are measured by:

i. the proportion made up by the resident population of a local enterprise partnership against the total resident population in England; and

ii. the proportion made up by the latest ‘employed earnings’ of a local enterprise partnership against the total ‘employed earnings’ in England.

These factors have been weighted equally in order to determine the portion of total funding allocated to each local enterprise partnership. As local enterprise partnerships have been formed on a district level basis, the data has been taken at this level and grossed up to provide totals, and subsequently proportions at a national level.

For districts within multiple local enterprise partnerships, an adjustment has been made to equally split these proportions between the local enterprise partnerships in question. In practice, this means that the entitlement of funding as a result of a single district is split equally between those local enterprise partnerships the district falls within. Currently, there are no districts that fall in the boundaries of more than two local enterprise partnerships. Therefore, **effective entitlements have been split 50/50 where these overlaps occur**.

Calculation of allocations: formula

The entitlement is then calculated by applying these proportions on an equal basis as follows:

(Proportion of Resident Population (i) *multiplied by* 50% *multiplied by* Eligible Total Funding)

plus

(Proportion of Employed Earnings (i) *multiplied by* 50% *multiplied by* Eligible Total Funding)

Calculation: proportion of ‘employed earnings’

The level of ‘employed earnings’ within each local enterprise partnership area is a simple multiple of both the levels of the total number of employees and mean gross weekly earnings. This is then calculated as a proportion of the total ‘employed earnings’ nationally, as follows:

(Total employees in the local enterprise partnership area *multiplied by* Mean gross weekly earnings in the Local Enterprise Partnership area)

divided by

(Total employees in England *multiplied by* Mean gross weekly earnings in England)

Sources of data

Population Estimates (at local authority: district and unitary level), 2010. Taken from the Office for National Statistics publication at: http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-231847

Annual Survey of Hours and Earnings (workplace analysis at local authority: district and unitary level), 2010, mean gross weekly pay (all employee jobs). Taken from the Office for National Statistics publication (Table 7.1a) at: http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-200444

Business Register and Employment Survey (at local authority: district and unitary level), 2010, total employees. Taken from the Office for National Statistics publication (Table 8) at: http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-230519

Annex B

Pre-Qualification Questionnaire

This questionnaire is also available as a Word form on the DCLG website :

www.communities.gov.uk/regeneration/economicgrowth/growingplacesfund

Section A
Summary information

[Please note there is no word count, although we consider most questions can be answered effectively in 200 – 300 words.]

A1. Proposal title and overall objective of the Fund

A2. Name of the local enterprise partnership(s) submitting the proposal

A3. Lead point of contact:

Name	
Organisation	
Job title	
Address	
Telephone	
Email	

A4. Geographical coverage of the Fund
(*please provide details of the LEP area(s) the Fund will cover)*

A5. Signature of the lead local enterprise partnership chair

Section B
Infrastructure projects

B1. Are you committed to using the Growing Places Fund to generate economic activity in the short term by addressing immediate infrastructure and site constraints which promote the delivery of jobs and housing?

Yes/No

B2. Please outline how the Fund will deliver the LEP's/LEPs' priorities for housing and economic growth (this should be no more than one page).

B3. Please outline any proposed leverage from the private sector and other funding streams (e.g. ERDF) to be explored and/or considered.

B4. Please set out the resource/capital split (resource can be no more than 2 per cent of the total allocation).

Section C
Governance arrangements

C1. Do you have, or will you have, appropriate governance arrangements in place which will secure value for money in the use of the Fund?

Yes/No

C2. Which local authority will be the accountable body? Please attach a letter of acceptance from the Section 151 local authority Finance Director.

C3. Please outline the governance structure for the management of the Growing Places Fund.

C4. Please outline your monitoring and evaluation plans. Details should include approach, timing, and resource implications.

Section D
Management of the Fund

D1. Do you have appropriate arrangements in place to deliver transparency in the use of the Fund?

Yes/No

D2. Please outline the financial procedures that will be used to oversee management of the funds provided, including the approach that will enable funding to be recycled for other projects, and tackling the issue of deadweight.

D3. Please outline the quality assurance arrangements that are in place to ensure decisions are adhered to, the funding is administered properly, appropriate records are kept, and due diligence and evaluation undertaken.

D4. Please outline how you will ensure data concerning the use of the funds, decisions made, and outcome of the projects are made publicly available.

Section E
Equality information

G1. Is it expected that the use of the funds or their outcomes will have a detrimental impact on any of the groups with protected characteristics as listed in the Equality Duty?

If yes, please describe the impact or impacts the proposal is expected to have, the group or groups which may be affected, and any steps, if applicable, which have been taken to mitigate the impact(s).

Annex C

The South West Regional Infrastructure Fund

The South West Regional Infrastructure Fund (RIF) was launched in March 2008.

The RIF provides forward funding for developer contributions to essential pieces of infrastructure required to unlock growth, bring forward delivery and make growth more sustainable. RIF is a recycling fund, its investment being repaid through planning obligations (section 106 agreements) or in future by contributions made via the Community Infrastructure Levy (CIL) and potentially by revenue generated from Tax Incremental Funding (TIF).

Funding criteria include:

- Investment is recoverable through planning obligations. RIF is not gap funding and cannot bridge viability gaps.
- Infrastructure is required to support the delivery of development that is supported by and consistent with the priorities of established plans and strategies.
- Infrastructure must be related to the development of a large growth site, a number of linked developments or unlocking capacity. Associated development(s) must be of greater size than:

  i. 1000 houses.

  ii. 20 Hectares of retail/office/employment.

  iii. Combination of the two in mixed use.

  Or:

  iv. Be of recognisable significance.
- Infrastructure and related development should be embedded in a robust LDD (Core Strategy or Area Action Plan) or adopted Local Plan and there is clear evidence of long-term strategic infrastructure planning to support growth.
- There must be:

  a. A realistic timetable for the infrastructure provision and of the associated development and detail as to when RIF investment will be required.

  b. Initial details as to the likely value of RIF investment required.

c. Full justification, under the current planning obligations regime and legislation, for seeking developer contributions for the infrastructure.

d. An initial proposed timetable for the repayment of the developer contributions that RIF will forward-fund.

- Projects should be subject to a transport appraisal and demonstrate a cost benefit ratio of at least 1.5.

For each project there is an agreement between the accountable body and the recipient body regarding delivery of the infrastructure and repayment of RIF. As repayment flows through the accountable body will apply funding to other eligible projects in the area.

The table below outlines the projects which have been taken forward.

Scheme name	Maximum Sum (£000)	Payments made to date (£000)	Status, partner, repayment arrangements and other comments
Long Run Farm Flood Relief scheme, Taunton – provision of flood storage capacity on farm land west of Taunton to enable development of 1,460 homes, 78,250 employment space, 10,000m2 retail space, 5,925 jobs, £249m private sector investment.	£1,300	£1,300	- Scheme completed, draw down complete. Repayments to the Fund fixed over 11/12 and 12/13 from s106 contributions on completion of the relevant homes. - Taunton Deane Borough Council - Fixed payments from tariff contributions; 2011/12 - £500,000 2112/13 - £800,000 **TOTAL = £1,300,000**
Filton Northfield Link Road, South Glos, Bristol – early delivery of strategic link road to unlock major mixed-use development on 81.25 ha of brownfield land, 2,200+ homes, 67,000m2 employment space, 3,000 jobs, £350m private sector investment	£6,000	£6,000	- Scheme complete and draw down (subject to £600k retention) complete. Fixed repayments to the Fund begin in 12/13. - Bovis Homes Ltd - Fixed payments; 5/01/13 – £1,000,000 5/01/14 – £1,000,000 5/01/15 – £2,000,000 5/01/16 - £2,000,000 **TOTAL = £6,000,000**
Twin Sails Bridge, Poole Harbour, Poole – provision of new bridge to enable access to 26 ha of brownfield land at Hamworthy which will deliver more than 2,000 homes, 63,500m2 employment space, 2,000 jobs and £331m private sector investment.	£9,960	£5,996	- Scheme underway, approx £5m drawn down in 10/11, remaining payments due in 11/12. Fixed minimum repayments of minimum £1m per annum commence one year post-completion i.e. 2013/14. - Borough of Poole - £9.96m (of which £8.9m to be repaid by 2016) to be paid from the SE Dorset transport planning tariff.

Annex D
Growing Places Fund – Q&A

Question 1

How do we apply for the Growing Places Fund?

Answer 1

The Pre-Qualification Questionnaire needs to be completed in full and submitted electronically to growingplacesfund@communities.gsi.gov.uk; this is the only document required in order to access the fund.

Question 2

Who assesses whether we are "fit for purpose"? Is there a scoring process? Do we see what is said about us, and can we challenge this?

Answer 2

There is no scoring process. As an unringfenced grant, you have the flexibility to allocate in line with local priorities. We are seeking your commitment to the criteria in the Pre-Qualification Questionnaire, and therefore would not expect any challenge – if you commit to working to achieve the funds objectives then you will qualify for funding.

Question 3

This is an infrastructure fund. What kind of projects does it cover? Does the impact have to be about growth? What about schools/health?

Answer 3

The key objective is to achieve early economic growth, and deliver jobs and housing. We would expect the fund to address issues associated with transport, utilities and flood defences. Priority should be given to projects where a marginal contribution is required to make the project feasible. Maximising return and leverage of wider funds is key.

Question 4

Is anything ineligible?

Answer 4

We expect the funding to be used to deliver infrastructure projects which will facilitate the delivery of economic growth, in particular jobs and houses. The funds must be spent in line with local accounting procedures. The accountable body is responsible for ensuring this is the case.

Question 5

Can a project be funded from more than one local enterprise partnership grouping?

Answer 5

Yes. You can use the funding as required to address your locally agreed priority projects. Where a project is considered a priority by more than one grouping then you can take forward discussions locally to determine the best way to deliver it.

Question 6

Do we need to identify a local authority to act as fund manager from the outset?

Answer 6

Yes

The funding is being paid under section 31, and as such will be paid to a nominated lead local authority. They will be accountable from the outset for all spend, and for making a return to Government confirming that the capital funding has been spent on capital projects – this is the only condition.

Question 7

What kinds of governance mechanisms will be thought acceptable?

Answer 7

We expect to see mechanisms in place to demonstrate that decisions on funding can be taken efficiently and in good time. As well as providing a longer term solution through a revolving fund, we want to see short term stimulus by addressing projects which are ready to go. The governance mechanisms should ensure that this will be the case.

Question 8

What is the nature of the contract between the accountable local authority and Government? Is there an offer letter?

Answer 8

Following confirmation of the allocations, the accountable body will receive a Grant Determination. This will detail the allocation to be made, and the process for reporting on the capital condition. Payment will follow shortly after the determination has been issued.

Question 9

When does the fund have to be spent?

Is there end-year flexibility and roll-over?

Answer 9

As an unringfenced grant, the funding can be rolled over as required at your discretion. We again however draw your attention to the commitment to spend the funding appropriately and promptly. Any future allocations will take account of this and your performance in enabling the delivery of jobs and houses.

Question 10

Is this grant aid or borrowing? How does the fund reach the accountable local authority? Is it paid in arrears; is there a claims mechanism? What evidence is required for the fund to be drawn down?

Answer 10

The allocation is block grant. It will be made in one single payment to the accountable local authority, without the need for a claim to be submitted. Funding paid through Section 31 is paid up front as opposed to in arrears. Once submitted, the PQQ will be checked to ensure relevant commitments are in place, following which payments will be arranged without the need for further information or action on behalf of the local authority or Partnerships.

Question 11

We have no expertise in running revolving funds.

Who can help?

Can part of the fund be given over to fund management?

Answer 11

We expect that management of a revolving fund will require additional resource. As such up to 2 per cent of your allocation is available as resource (with the capital being reduced accordingly), and again you will have flexibility to spend this as and when required. There are also models which you can draw on; the Regional Infrastructure Funds operated as revolving funds – the Homes and Communities Agency now manage these, and can therefore provide specific advice.

Question 12

What will Government require in the way of spend information, profiling and updates?

Answer 12

Key accountability will be at local level. Local enterprise partnerships will want to ensure that expenditure meets local needs. However, to ensure there is wider value for money for the taxpayer, we are asking local enterprise partnerships to outline their monitoring and evaluation plans and how they will make these publicly available. We will work with local enterprise partnerships to develop an effective evaluation framework.

Question 13

What are the audit requirements on the accountable local authority?

Answer 13

The accountable local authority will need to manage the fund in line with their local accounting arrangements. The only return to Government which is required is to confirm that capital funds have and will be spent on capital projects. A standard template for this return will be provided with the grant determination. The Accountable Body will have to sign this and return it to Government at the end of 2011/12.