



## Department for Communities and Local Government

Tim Wates  
Chair, Coast to Capital LEP  
Coast to Capital Ltd  
Arun House  
Hurst Road  
Horsham  
West Sussex  
RH12 2DN

**The Rt Hon Greg Clark MP**  
*Secretary of State for Communities  
and Local Government*

***Department for Communities and  
Local Government***

Fry Building  
2 Marsham Street  
London  
SW1P 4DF

Tel: 0303 444 3450

Fax: 020 7035 0018

Email:

[greg.clark@communities.gsi.gov.uk](mailto:greg.clark@communities.gsi.gov.uk)

[www.gov.uk/dclg](http://www.gov.uk/dclg)

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Dear Tim

### **Competing for Growth – Further Growth Deals**

Across the country, Local Enterprise Partnerships have used the existing Growth Deals to build stronger local economies. Every new job created as a result of a Growth Deal makes someone's life better: there's little more important work than this.

I am delighted, therefore, to invite proposals for the **next round of Growth Deals**.

We are looking for even more ambition in this round: the competition is open to every LEP, but no area is entitled to a particular share of funding. We'll make the awards on the basis of the merits of the cases you make, in light of the criteria I outline below. The stronger your proposal, the greater your chance of success - it's that simple.

Here are the criteria we will use in our review:

- You should explain how new funding will help to increase growth in your area, over and above the impact of your existing Growth Deal. What barriers (in transport, skills, housing supply, for example) could be overcome by new investment? **Propose a specific figure** for funding, and describe the purpose to which it would be put. (The e-mail you received from Louise Morgan, the BIS Local Deputy Director for London & East, made clear the funding for which everyone is competing). As in previous rounds, I will look for you to provide details on what your proposals will deliver in terms of job creation, investment and housing, as well as what will be required to achieve this in terms of cost and capacity.
- **Strong collaboration between your partnership and the local area** must underpin your proposal. This work must be owned by both political and business leaders in your area.

- The need for **stronger, reformed governance structures** implies that proposals that are aligned with mayoral Combined Authorities (or proposed Combined Authorities) will have an advantage. You would do well to outline the positive role your partnership is taking in strengthening local governance.
- As your Partnership will be more engaged with local business now than was the case in 2014, your proposal should include **a greater level of private sector investment** than in previous rounds, as well as match funding from other bodies such as universities. My expectation is that LEPs will have SME representation on their Board and I would like to see a proposition on how you will implement this in your proposal.
- Your strategy should **engage with government's key objectives within the wider local context** (such as plans for housing delivery and the area reviews into further education).
- And, of course, the **delivery of existing Growth Deals** will play a part in my consideration of proposals. We expect your proposals to set out the systems in place to ensure value for money and proper use of public money.

Your proposal will also be seen in the context of your bid, should you make one, for Local Transport Majors funding. Local Transport Majors funding allows several areas to fund transport projects beyond that which individual Local Enterprise Partnerships have previously delivered. Ministerial colleagues in the Department for Transport will write to you shortly to explain how that funding will be awarded.

Your new Growth Deal proposal should be submitted by summer recess, and my officials will contact you in due course regarding your challenge session. I intend to announce the winners of this competition around the time of this year's Autumn Statement. BIS Local teams are ready to support you in preparing your proposals — make good use of them.

To support this round of funding, I was pleased to announce continued core funding for LEPs into 2017-18, to enable you to plan for the future with confidence. We will provide further guidance on this in due course.

I hope you share my excitement about this new round of Growth Deals, and look forward to reading your proposals.

A handwritten signature in black ink that reads "Greg Clark". The signature is written in a cursive, slightly slanted style.

**Rt Hon Greg Clark MP**

CC: Jonathan Sharrock, Chief Executive Coast to Capital LEP