



**Funding  
Withdrawal  
Protocol**

## Funding Withdrawal Protocol

### Introduction

The following protocol will be invoked by the Coast to Capital Board if it concludes that a project that has either earmarked and/or approved Local Growth Funding via one of the Growth Deals, that is not going to be fully draw-down by March 2021.

### Protocol

1. Coast to Capital Board has agreed an Investment Committee recommendation to follow option 2 of the 'High Risk Project Monitoring Protocol'.
2. The Chairman of Coast to Capital writes to the Delivery Body informing them that unless one of the following options can be satisfactorily demonstrated to the Board via a commensurate recommendation from the Investment Committee, then funding will be withdrawn/ not awarded to the project in question:
  - A- That the Delivery Body puts in place remedial action to the satisfaction of the Investment Committee and Board, to ensure the full LGF funding award can be fully drawn-down by March 2021.
  - B- That the Delivery Body obtains from the relevant Minister, a Government dispensation to extend the funding period. This option would only be applicable if Coast to Capital had already written to Government as part of 'High Risk Project Monitoring Protocol';
  - C- That the Delivery Body provides a credible proposal to be agreed by the LEP Accountable Body as satisfying the freedoms and flexibilities. This should include confirmation from Government of acceptability of such proposal, to allow the award of funding to be made and released as a capital swap.
3. Delivery Bodies are expected to respond within a 30 day period which may be extended by discretion of the Chairman, for up to a further 30 days.
4. If the Delivery Body confirms option A or B above, and the Investment Committee are satisfied accordingly, the project will continue to be monitored via the 'High Risk Project Monitoring Protocol', and/or will be awarded funding via a funding agreement, if this is not already the case. The recommendation from the Investment Committee will be agreed by the Board via a consent paper.

5. If the Delivery Body provides satisfactory evidence under option C above, agreed by the Accountable Body and Government, then the project will continue to be monitored via the 'High Risk Project Monitoring Protocol', with the necessary contract variations being made. The recommendation from the Investment Committee will be agreed by the Board via a consent paper.
6. If the Delivery Body fails to respond, or if none of the above can be demonstrated to the satisfaction of the Investment Committee, then the Board will be recommended to withdraw funding/ not award funding to the project.
7. The Board will have final opportunity to consider any other steps before taking the decision to withdraw funds.
8. The Chairman of the Coast to Capital Board will then write on behalf of the Board to the Delivery Body to confirm the above decision, with copies to Central Government, Local MP's, the relevant Minister(s), key stakeholders, and will issue a relevant press release to ensure Coast to Capital's reputation is not damaged.

