

# West of England City Region Deal

## Growth Incentive Summary

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West of England

Bath & North East  
Somerset Council



North  
Somerset  
Council

South Gloucestershire  
Council

West of England

Local Enterprise Partnership



# Growth Incentive deal summary

## **Government will:**

“Provide a licensed exemption from the effects of the resets and levies of the local government finance system in five Enterprise Areas over 25 years (starting April 2014), enabling the West of England to retain 100% of business rates growth in these areas.”

## **Local authorities will:**

“Pool the business rate growth from these five Enterprise Areas alongside that from the existing Enterprise Zone, generating a significant financial contribution to the £1bn West of England Economic Development Fund.”

## **LEP will:**

“Deliver a £1bn programme of investment from the Economic Development Fund to unlock and accelerate economic growth in the West of England.”

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# Two separate but linked parts

<b>Growth Incentive Proposal – NDR Pool</b>	<b>Economic Development Fund</b>
Overall Pool - £1.17bn	Overall £1bn Fund
TIER 1 – No worse off £390m to 4 UAs	Current funding streams £500m (Transport, RIF etc)
TIER 2 – Contribution to EDF Up to £500m over up to 25yrs	Contribution from Pool Up to £500m over up to 25yrs Critical infrastructure £138m Other schemes – flagship, business support, broadband etc Financing costs of any borrowing
TIER 3 – Demographics Surplus to 4 UAs, building on 5:1 basis to EDF payment until EDF commitment fulfilled	
4 UA's	LEP



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North Somerset Council

South Gloucestershire Council

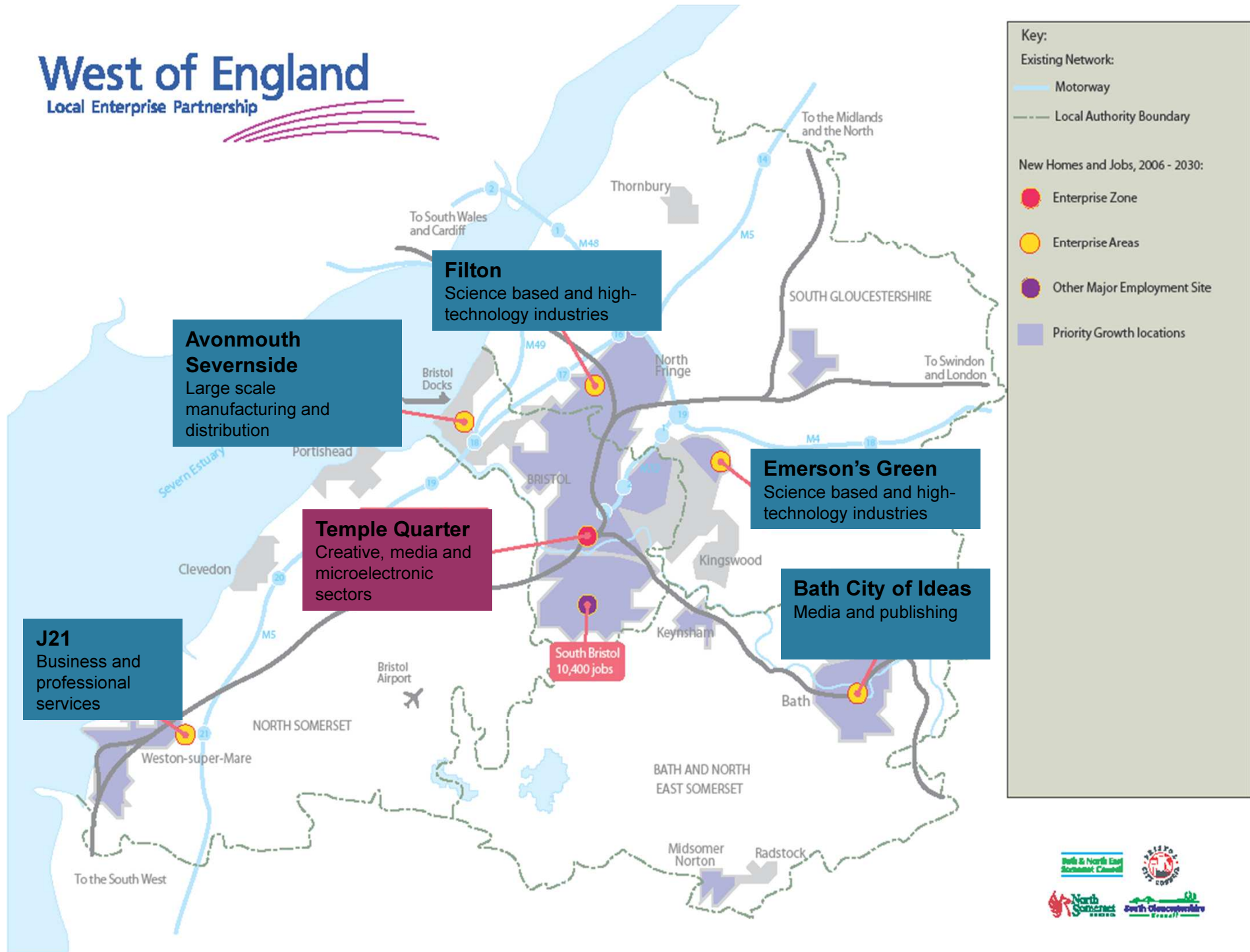
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# West of England

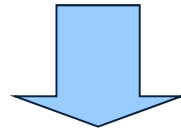
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# Business rates pool



**100% business rate growth from Growth Incentive Areas**



Accountable body: South Gloucestershire Council

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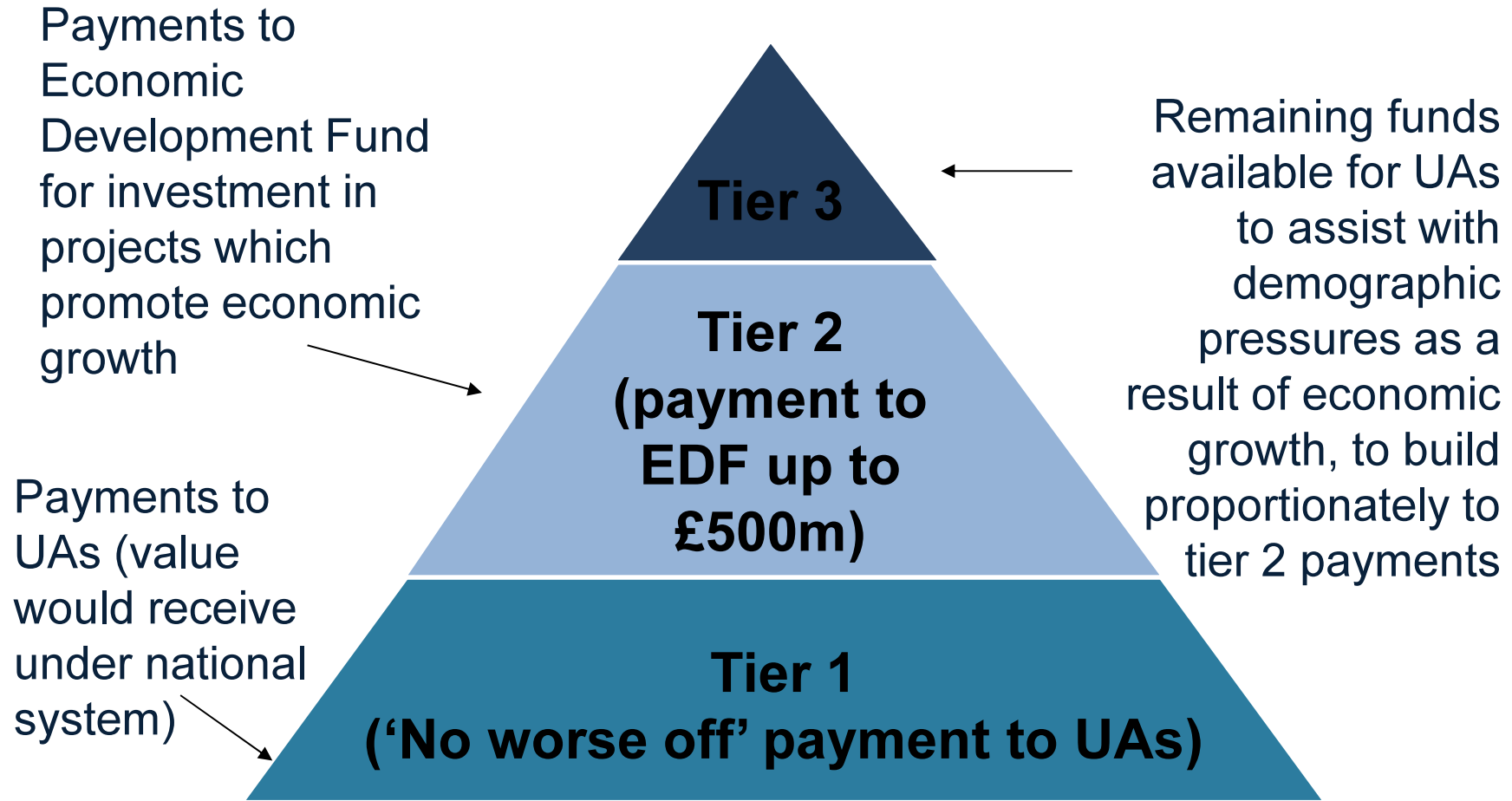
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# Pool distribution



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# Economic Development Fund

- \* Provides up to £500M to fund projects which accelerate growth in WoE
- \* Total £1bn of investment with other funding streams e.g. RIF, Transport etc.
- \* All EDF Projects subject to Governance and Approval by LEP Board
- \* Subject to availability of funds in the business rate pool
- \* To Fund Approved Infrastructure and Related Borrowing Costs
- \* Projects to be put forward by Lead Authority (indicative list being developed)
- \* Borrowing underwritten by Lead Authority

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# £1bn Economic Development Fund

£410m other  
funding sources  
e.g. major  
transport schemes  
*Individual UA's*

£500m pooled  
Business Rates  
contribution  
*BANES Accountable Body*

£90m Revolving  
Investment Fund  
*BANES Accountable Body*

Projects Delivered by Individual  
Lead WoE Unitary Authorities

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Interventions to maximise economic returns throughout City Region through City Deal package				
Skills	Innovation	Enterprise	Inward Investment	Infrastructure

Projects to unlock / further economic development

£138m critical infrastructure to unlock sites

Flagship Projects

Sites throughout WoE

Enterprise Areas

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Bath & North East Somerset Council



North Somerset Council

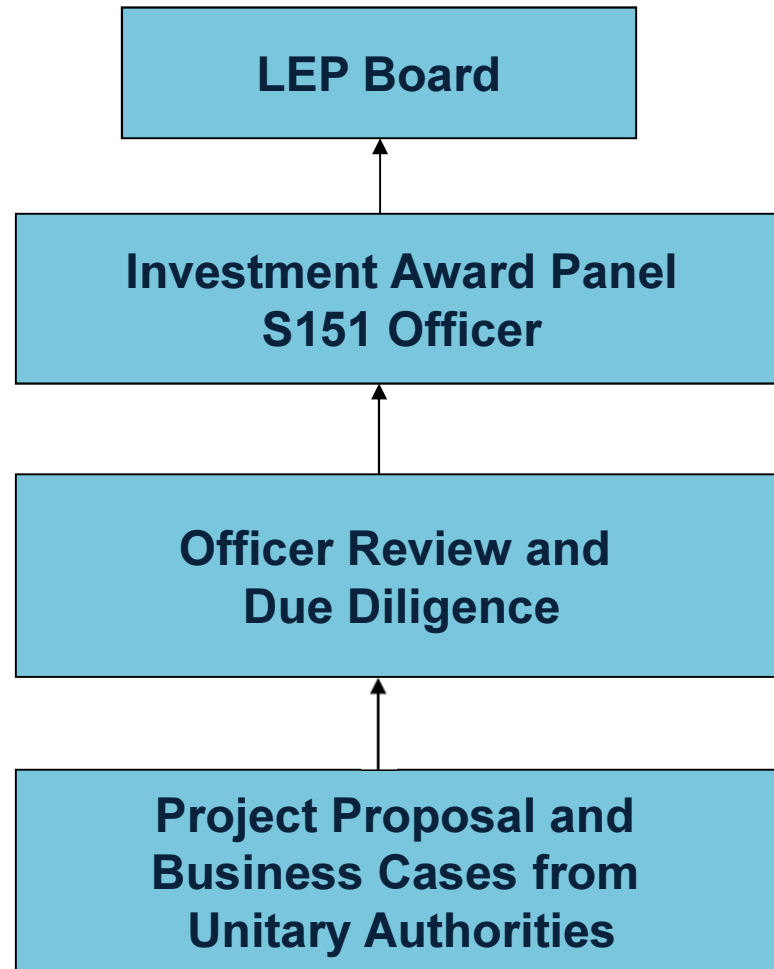
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# EDF Governance



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