

14th September 2022

Ruth Carver
Greater Lincolnshire LEP
Lancaster House
36 Orchard Street
Lincoln
LN1 1XX

Dear Ruth

Stage one complaint to the Greater Lincolnshire LEP regarding the change request to the University Technology and Innovation Centre Grantham Grant Agreement

Please accept this letter as a formal appeal to the decision made to reclaim the full £2 million grant in connection with the University Technology and Innovation Centre Grantham Grant Agreement.

The original perpetual Grant Agreement contained 67% of the core outputs with no end date. Whilst some outputs were delivered and claimed, as soon as it became clear the Council would be unable to meet the original plans, early engagement took place with GLLEP representatives. By way of remedy, the Council offered to deliver alternative outputs aligned with business recovery and increased resilience activity, which would have yielded the same level of results, yet earlier than anticipated and within a specified project closure date.

It has been widely reported the business and learning environment has evolved post-pandemic. The requirement for learning facilities, physical course delivery and competing local providers has greatly impaired the business case for the University Centre. Accordingly, the University of Lincoln confirmed intentions to exclusively return to the city campus, abandon the video link and accelerate to in-person business as usual without delay.

Demand for office space in Grantham remains very limited. Indeed, several local and regional agents have represented the units (underneath the Centre), as well as the Council's economic development team – InvestSK, who direct mailed 665 operators' agents and estate management companies. The response has been overwhelmingly negative. It should be noted though, most operators who responded were not negative to the scheme or Grantham. However, they were looking at upwards of 200,000 local population before they consider operating in any location. Nevertheless, there has been no educational takers for the space.

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**SOUTH
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In the space of time the GLLEP took to confirm their definitive legal position, regrettably the Council now finds itself in the position that the opportunity to draw upon the proposed revised core outputs has been missed. The GLLEP Investment Board's decision to usher in extra educational provision at Grantham College within 482 metres of the University Technology and Innovation Centre, has further comprised the Council's ability to make use of the space for educational purposes.

The Council has already fully claimed for the public investment leveraged (i.e. £4,712,529) and for 15 learners supported (i.e. 15% of the learners expected by 2020/21 and 4.41% of the total required). As detailed above and in the previous papers presented to the GLLEP Investment Board, the Council believes it has taken all reasonable steps to fulfil the original Grant Agreement.

Against this backdrop, South Kesteven District Council asks that a reassessment of the clawback request is considered. The Council has enjoyed a productive and mutually beneficial working relationship with the GLLEP, and it is hoped a pragmatic and co-operative stance is taken regarding enforcing the full clawback, especially given the current economic climate.

Yours sincerely



Nicola M^cCoy-Brown
Director of Growth and Culture

