

## **BUSINESS INVESTMENT PANEL**

**MEETING TO BE HELD AT 2.00 PM ON TUESDAY, 5 FEBRUARY 2019  
IN COMMITTEE ROOM A**

---

### **A G E N D A**

- 1. APOLOGIES FOR ABSENCE**
- 2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**
- 3. EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC**

1. To highlight Appendices 1 and 2 of agenda item 5, Appendices 1,2 and 3 of agenda item 6 and Appendices 1,2,3 and 4 of agenda item 7 which officers have identified as containing exempt information within the meaning of Schedule 12A to the Local Government Act 1972, and where officers consider that the public interest in maintaining the exemptions outweighs the public interest in disclosing the information, for the reasons outlined in the report.
2. To consider whether or not to accept the officers' recommendation in respect of the above information as set out in paragraphs 5.1, 6.1 and 4.1.
3. If the recommendations are accepted, to formally pass the following resolution:-

**RESOLVED** – That in accordance with paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, the public be excluded from the meeting during consideration of highlight Appendices 1 and 2 of agenda item 5, Appendices 1,2 and 3 of agenda item 6 and Appendices 1,2,3 and 4 of agenda item 7 on the grounds that they are likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information and for the reasons set out in the report that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

- 4. MINUTES OF THE MEETING OF THE BUSINESS INVESTMENT PANEL HELD ON 10 JANUARY 2019**  
(Pages 1 - 4)

**5. STRATEGIC INWARD INVESTMENT FUND**

Led by: Lorna Holroyd  
(Pages 5 - 44)

**6. BUSINESS GRANTS PROGRAMME**

Led by: Lorna Holroyd / Neill Fishman  
(Pages 45 - 70)

**7. GROWING PLACES FUND LOANS**

Led by: Chris Brunold  
(Pages 71 - 82)

**8. DATE OF NEXT MEETING**

The next meeting is 7 March 2019 at 2pm in Committee Room A, Wellington House, Leeds

**Signed:**

A handwritten signature in black ink, appearing to be 'BGM', with a horizontal line underneath.

**Managing Director  
West Yorkshire Combined Authority**



**MINUTES OF THE MEETING OF THE  
BUSINESS INVESTMENT PANEL  
HELD ON THURSDAY, 10 JANUARY 2019 AT COMMITTEE ROOM A,  
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

---

**Present:**

|                                     |                           |
|-------------------------------------|---------------------------|
| Councillor Judith Blake CBE (Chair) | Leeds City Council        |
| Councillor Darren Byford            | Wakefield Council         |
| Councillor Shabir Pandor            | Kirklees Council          |
| Councillor Graham Swift             | Harrogate Borough Council |
| Michael Allen                       | NatWest Bank              |
| Colin Glass OBE                     | WGN                       |
| Jonathan King                       | Medusa Holdings Ltd       |
| Gareth Yates                        | Ward Hadaway              |

**In attendance:**

|                 |                                   |
|-----------------|-----------------------------------|
| Henry Rigg      | West Yorkshire Combined Authority |
| Kate Thompson   | West Yorkshire Combined Authority |
| Neill Fishman   | West Yorkshire Combined Authority |
| Lorna Holroyd   | West Yorkshire Combined Authority |
| Chris Brunold   | West Yorkshire Combined Authority |
| Lauren Thomas   | West Yorkshire Combined Authority |
| Megan Hemingway | West Yorkshire Combined Authority |

**51. Apologies for absence**

Apologies for absence were received from Councillor Tim Swift, Councillor Alex Ross-Shaw, Marcus Mills and Simon Wright.

**52. Declarations of disclosable pecuniary interests**

There were no disclosable pecuniary interests declared by Members at the meeting.

**53. Exempt information - Exclusion of the press and public**

**Resolved:** That in accordance with paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, the public be excluded from the meeting during consideration of Appendices 1 and 2 of Agenda Item 6 and Appendices 1, 2, 3, 4 and 5 of Agenda Item 7 on the grounds that it is likely, in view of the nature of the business to be transacted of the nature of the proceedings, that if

members of the press and public were present there would be disclosure to them of exempt information and for the reasons set out in the report that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

**54. Minutes of the meeting of the Business Investment Panel held on 5 December 2018**

**Resolved:** That the minutes of the Business Investment Panel held on 5 December 2018 be approved and signed by the Chair.

**55. Strategic Inward Investment Fund**

The Panel considered a report which outlined the current position regarding progress in committing grants through the Leeds City Region Enterprise Partnership (the LEP) Strategic Inward Investment Fund (SIIF).

It was highlighted that the total available funding for SIIF has reduced from £12.45m to £10.95m as £1.5m has been transferred to the Digital Inward Investment Fund (DIIF). DIIF supports digital businesses establishing new operations in the Leeds City Region and in the context of Channel 4's investment in a new National HQ in Leeds there is an opportunity to generate greater growth in the creative and digital sector in the City Region.

It was agreed that further information on DIIF, which is marketed to businesses under the *#welcome* brand, would be circulated to all Panel members after the meeting.

The Panel was updated on the project application (SIIF 006) which it had recommended for approval at its meeting on 6 November 2018. The application was considered at Investment Committee on 7 November and at Combined Authority on 13 December 2018, where it was formally approved. A funding agreement is now being finalised with the business.

It was noted that there were no new applications for consideration at this meeting. However, a new application was expected to be brought for consideration at the next Panel meeting.

**Resolved:**

- (i) That the update on the progress of the Strategic Inward Investment Fund be noted.
- (ii) That the Panel noted approval of the project application (SIIF 006) by the Combined Authority.

**56. Business Grants Programme**

The Panel considered a report which outlined the current position regarding progress in committing grants through the Leeds City Region Enterprise Partnership (the LEP) Business Grants Programme (BGP).

The Panel was updated on the some funding changes to the BGP. An additional £7m of funding for the programme was approved by the Combined Authority on 13 December 2018. This is to enable delivery of the programme to continue until 31 March 2021, as it was expected that without this additional funding, the programme would be fully committed by the end of September 2019 and would need to close to new applications 18 months before the end of the programme.

In addition, the Combined Authority approved two funding requests from Leeds City Council at its meeting on 13 December 2018. This is to provide a further £1m of funding to support Ad: Venture, a grant programme supporting start up and young businesses up to three years old, and £750,000 to Digital Enterprise, which provides assistance towards investment in information communication technologies.

These changes leave total funding of £44,316 available for the BGP, of which £30,836,923 has already been committed to businesses.

The Panel was asked to consider the grant application 1100964, detailed at 4.1 and attached at exempt Appendices 1 and 2.

**Resolved:**

- (i) That the update on progress on the Business Grants Programme be noted.
- (ii) That the Panel recommends the grant application for project reference 1100964 for approval at a reduced level.

**57. Growing Places Fund loans**

The Panel considered a report which provided an update on the progress in committing loans through the Leeds City Region Enterprise Partnership (the LEP) Growing Places Fund (GPF).

It was noted that the programme has currently enabled the sustainment or creation of 824 jobs and the building of 693 homes of which 106 (15%) are affordable. Members welcomed this as a positive in terms of Inclusive Growth.

The Panel was updated on two projects (loans 315 and 113) both with changed circumstances, attached at exempt Appendices 1 and 2. Members were invited to sit on an advisory group for loan 315 to provide specialist advice as and when required. Jonathan King and Michael Allen indicated they would be willing to do so.

Members were informed of one project which has achieved full repayment in early December (loan 107), attached at exempt Appendix 3. The Panel noted the positive success of the project.

The Panel also considered the planned project closure (loan 305) attached in exempt Appendices 4 and 5.

**Resolved:**

- (i) That the update on progress on the Growing Places Fund be noted.
- (ii) That the update on the changed circumstance of loan 315 be noted and that the recommendation as to management of the loan in exempt Appendix 1 be adopted.
- (iii) That the updates on loans 113 and 107 be noted.
- (iv) That the information on loan 305 be noted and a project closure form be initiated as part of the Combined Authority's Assurance Framework and investment returned to the Growing Places Fund programme for future reinvestment.

**58. Date of next meeting**

The next meeting is 5 February 2019 at 2pm in Committee Room A, Wellington House, Leeds



**Report to:** Business Investment Panel

**Date:** 5 February 2019

**Subject:** Strategic Inward Investment Fund

**Director(s):** Sue Cooke, Executive Head of Economic Services

**Author(s):** Lorna Holroyd

## 1. Purpose of this report

- 1.1 To outline the current position regarding progress in committing grants through the Leeds City Region Enterprise Partnership (the LEP) Strategic Inward Investment Fund (SIIF).

## 2. Information

- 2.1 Spend and outputs for SIIF are detailed below.

| Performance indicator | Target       | Total commitments | Actual outputs (09/01/19) |
|-----------------------|--------------|-------------------|---------------------------|
| Direct jobs           | 1,245        | 952               | 331                       |
| Number of enterprises | 10           | 4                 | 1                         |
| Total investment      | £120,450,000 | £39,151,961       | £17,296,761               |
| Programme Spend       | £10,950,000  | £2,853,386        | £758,457                  |

## 3. New programme application

- 3.1 Members are asked to consider the following application. The grant application and appraisal are attached as detailed.

| Project Ref | District  | Total Investment £ | Grant Requested £ | Proposed New Jobs | Appendices |
|-------------|-----------|--------------------|-------------------|-------------------|------------|
| SIIF 007    | Wakefield | £3,290,457         | £250,000          | 154               | 1 and 2    |
|             |           | <b>£3,290,457</b>  | <b>£250,000</b>   | <b>154</b>        |            |

#### **4 Financial implications**

- 4.1 There are no financial implications directly arising from this report.

#### **5. Legal implications**

- 5.1 The information contained in **Appendices 1 and 2** is exempt under paragraph 3 of Part 1 to Schedule 12A of the Local Government Act 1972 as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It is considered that the public interest in maintaining the content of the appendix as exempt outweighs the public interest in disclosing the information as publication could prejudice current and future decision making.

#### **6. Staffing implications**

- 6.1 There are no staffing implications directly arising from this report.

#### **7. External consultees**

- 7.1 Local Authority Chief Executives have been made aware of the application.

#### **8. Recommendations**

- 8.1 That the Panel notes the progress report on the SIIF.
- 8.2 That the Panel considers the grant application detailed at 3.1 and attached at **Exempt Appendices 1 and 2**.

#### **9. Background documents**

- 9.1 None.

#### **10. Appendices**

**Exempt Appendix 1** – application form for project reference SIIF 007.

**Exempt Appendix 2** – appraisal report for project reference SIIF 007.



Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank




---

**Report to:** Business Investment Panel

**Date:** 5 February 2019

**Subject:** Business Grants Programme

---

**Director(s):** Sue Cooke, Executive Head of Economic Services

**Author(s):** Neill Fishman / Lorna Holroyd

---

## 1. Purpose of this report

- 1.1 To outline the current position regarding progress in committing grants through the Leeds City Region Enterprise Partnership (the LEP) Business Grants Programme (BGP).

## 2. Information

- 2.1 Spend and outputs for the grant schemes funded through the Local Growth Fund (LGF) are detailed below. Achievements against these targets can be made through the three capital grants schemes which make up the BGP; the big scheme, the small scheme and the Business Flood Recovery Fund. The big scheme is for grants over £100,000, the small scheme is grants of between £10,000 and £100,000 and the Business Flood Recovery Fund is grants of £10,000 to £100,000 for businesses affected by the Boxing Day Floods of 2015 (note that this programme is now closed to new applications).

| Performance indicator  | Target       | Big scheme committed | Small scheme committed | Flood grants committed | Total commitments | Actual outputs (16/01/19) |
|------------------------|--------------|----------------------|------------------------|------------------------|-------------------|---------------------------|
| Direct jobs            | 4,100        | 2,873                | 2,307                  | n/a                    | 5,180             | 3,556                     |
| Safeguarded jobs       | n/a          | 152                  | 0                      | 1,541                  | 1,693             | 1,682                     |
| Number of grant awards | 765          | 38                   | 570                    | 63                     | 671               | 586                       |
| Total investment       | £168,500,000 | £154,214,164         | £163,611,478           | £12,793,515            | £330,619,157      | £260,079,521              |
| Programme Spend        | £44,316,000  | £8,916,174           | £19,479,042            | £2,860,375             | £31,255,591       | £27,276,756               |
| Cost per job           | n/a          | £3,103               | £8,445                 | n/a                    | £6,034            | £7,670                    |

| Performance indicator                     | Target | Big scheme committed | Small scheme committed | Flood grants committed | Total commitments | Actual outputs (16/01/19) |
|---|--------|----------------------|------------------------|------------------------|-------------------|---------------------------|
| Cost per job (including safeguarded jobs) | n/a    | £2,947               | n/a                    | £1,856                 | £4,548            | £5,207                    |

- 2.2 To date commitments of £28.39 million have been made through a combination of the big and small schemes. Seven applications to the small scheme, with a combined grant value of £204,934, were approved under sub-delegations in December 2018.
- 2.3 As outlined in previous Business Investment Panel papers, grants are now funded through a combination of the Business Growth Programme and Access to Capital Grants, both of which are funded through the LGF.
- 2.4 Commitments through the Business Flood Recovery Fund currently stand at £2.86 million. Of a total of 66 projects approved, three have been withdrawn, 58 are complete and £119,528 is left to pay to five businesses whose projects are still live.
- 2.5 All grant awards are listed in summary form on the LEP website and updated quarterly.<sup>1</sup>

### 3 New large programme application

- 3.1 Members are asked to consider the following application. The grant applications and appraisal is attached as detailed.

| Project Ref | District  | Total Investment £ | Grant Requested £    | Proposed New Jobs | Appendices |
|-------------|-----------|--------------------|----------------------|-------------------|------------|
| 1098634     | Wakefield | 1,836,000          | 200,000 euros        | 22                | 1 and 2    |
|             |           | <b>1,836,000</b>   | <b>200,000*euros</b> | <b>22</b>         |            |

\*Equivalent to £180,546 as at 16 January 2019. However, this may fluctuate up or down, with the actual amount determined by the exchange rate on the date the funding agreement is issued.

### 4 Update on large programme application considered at Panel on 11 December 2018

- 4.1 At Panel on 11 December 2018 members considered an application (project reference 1100964) from a business looking to make an inward investment in to the Wakefield District. It was agreed in principle that the application should be supported, but at a level to be negotiated with the company by officers and

<sup>1</sup> <http://www.the-lep.com/about/governance-and-funding/grants-for-business/>

with certain caveats. The application was formally approved for £125,000 on 11 January 2019 by the Combined Authority's Managing Director. More detailed information can be found at exempt Appendix 3.

## **5 Financial implications**

- 5.1 There are no financial implications directly arising from this report.

## **6 Legal implications**

- 6.1 The information contained in **Appendices 1, 2 and 3** is exempt under paragraph 3 of Part 1 to Schedule 12A of the Local Government Act 1972 as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It is considered that the public interest in maintaining the content of the appendix as exempt outweighs the public interest in disclosing the information as publication could prejudice current and future decision making.

## **7 Staffing implications**

- 7.1 There are no staffing implications directly arising from this report.

## **8 External consultees**

- 8.1 No external consultations have been undertaken.

## **9 Recommendations**

- 9.1 That the Panel notes the progress report.
- 9.2 That the Panel considers the grant application detailed at 3.1 and attached at exempt Appendices 1 and 2 and notes the update at exempt Appendix 3.

## **10 Background documents**

- 10.1 None.

## **11 Appendices**

**Exempt Appendix 1** - application form for project reference 1098634.

**Exempt Appendix 2** - appraisal for project reference 1098634.

**Exempt Appendix 3** - update on application (project reference 1100964) considered at Panel on 11 December 2018.

This page is intentionally left blank



Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank



---

**Report to:** Business Investment Panel

**Date:** 5 February 2019

**Subject:** **Growing Places Fund Loans**

---

**Director(s):** Melanie Corcoran, Director of Delivery

**Author(s):** Chris Brunold, Project Manager

---

## **1. Purpose of this report**

- 1.1 To update the Panel on progress in committing loans through the Leeds City Region Enterprise Partnership (the LEP) Growing Places Fund (GPF).
- 1.2 To update the Panel on one project with changed circumstances and two projects that have made their final repayment.
- 1.3 To update the Panel on a project closure report for a previously repaid loan.

## **2. Information**

### Growing Places Fund update

- 2.1 The Growing Places Fund (GPF) has operated since 2012 offering loans to support projects that require additional capital funding to deliver jobs and economic growth and unlock stalled developments post-recession, within a timescale of five years or less. The fund is open to all businesses and organisations of any size based in or looking to invest in the Leeds City Region. Applications from small and medium-sized enterprises, employing up to 250 staff, are particularly welcome.
- 2.2 The total original GPF allocation from Government was £35.5 million of which £3.498 million currently remains unallocated. The Fund typically seeks private sector leverage on the basis of 1:3.
- 2.3 Loan repayments are also held separately and can be reinvested in the future.
- 2.4 The programme has currently enabled the sustainment or creation of 824 jobs and the building of 718 homes of which 106 (14.7%) are affordable.

### GPF Capital Position

- 2.5 The capital repaid by GPF loans offered through the programme to 31 December 2018 is £ 11.959 million.
- 2.6 The capital anticipated in the remainder of the 2018/19 financial year is £74,162.84. There is, as always, with GPF loans a risk that projects may not pay to the agreed repayment schedule.
- 2.7 The capital anticipated in 2019/20 is a further £ 1,864 million.
- 2.8 The total capital expected beyond 31 March 2020 is £ 10,293,060.

### GPF Projects with Changed Circumstances

- 2.9 One GPF project has changed circumstances and two have made their final capital repayment with interest during the period and are included in the figures in para 2.5 above. Detail is provided for information and as this is confidential it is included in **Exempt Appendices 1, 2 and 3**.

| Project Ref   | Total Loan     | Proposed Jobs/Homes | Recommendation |
|---------------|----------------|---------------------|----------------|
| 315 - changed | £800,000       | 24                  | Discuss        |
| 309 - repaid  | £1 million     | 128                 | To Note        |
| 201 - repaid  | £2.397 million | 370/240             | To Note        |

### GPF Project Closure Report

- 2.10 A Project Closure report has been prepared to appraise GPF 104 that was previously repaid, and background information is provided because it is confidential in **Exempt Appendix 4**.

## **3. Financial Implications**

- 3.1 The financial implications associated with the project with changed circumstances and/or loans repaid in full as detailed in para 2.9 are set out in **Exempt Appendices 1, 2, and 3**. There are no financial implications from the Project Closure report at 2.10.

## **4. Legal Implications**

- 4.1 The information contained in **Appendices 1, 2, 3, and 4** is exempt under paragraph 3 of Part 1 to Schedule 12A of the Local Government Act 1972 as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It is considered that the public interest in maintaining the content of the appendices as exempt outweighs the public interest in disclosing the information as publication could prejudice current and future decision making.



## **5. Staffing Implications**

- 5.1 There are no staffing implications directly arising from this report.

## **6. External Consultees**

- 6.1 No external consultations have been undertaken.

## **7. Recommendations**

- 7.1 That the update on progress in committing loans through the GPF be noted.
- 7.2 That the information provided in **Exempt Appendix 1** on a project with changed circumstances be noted and feedback given.
- 7.3 That the information provided in **Exempt Appendices 2 and 3** on recently repaid loans be noted and feedback given.
- 7.4 That the information in **Exempt Appendix 4** on appraisal of a closed project be noted and feedback given.

## **8. Background Documents**

None.

## **9. Appendices**

**Exempt Appendix 1** – Project 315 - changed circumstances

**Exempt Appendix 2** – Project 309 – project repayment details

**Exempt Appendix 3** – Project 201 – project repayment details

**Exempt Appendix 4** – Project 104 – project closure report detail

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank



Document is Restricted

This page is intentionally left blank