

BUSINESS INVESTMENT PANEL

**MEETING TO BE HELD AT 10.00 AM ON TUESDAY, 8 DECEMBER
2020**

as a remote meeting - to be livestreamed here:

**<https://www.youtube.com/channel/ucazjnsgpqztt41vibn2zk9a/live>
(copy and paste the link in your browser)**

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 and Appendices 1,2,3 and 4 of Agenda Item 6, 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 at paragraph 5.1 of Agenda Item 5 and paragraph 7.1 of Agenda Item 6.
 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 Appendices 1 and 2 of Agenda Item 5 and Appendices 1,2,3 and 4 of Agenda Item 6 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 6 OCTOBER 2020**
(Pages 1 - 4)
5. **STRATEGIC INWARD INVESTMENT FUND**
(Pages 5 - 46)
6. **BUSINESS GROWTH PROGRAMME**
(Pages 47 - 98)
7. **DATE OF NEXT MEETING 08 JANUARY 2021**

Signed:

A handwritten signature in black ink, consisting of the letters 'BGM' in a stylized, cursive font, with a horizontal line underneath.

**Managing Director
West Yorkshire Combined Authority**



**MINUTES OF THE MEETING OF THE
BUSINESS INVESTMENT PANEL
HELD ON TUESDAY, 6 OCTOBER 2020 AS A REMOTE MEETING.**

Present:

Councillor Judith Blake CBE (Chair)
Simon Wright (Deputy Chair)
Councillor Jane Scullion
Michael Allen
Colin Glass OBE
Jonathan King
Marcus Mills
Gareth Yates

Leeds City Council
Yorkshire Bank
Calderdale Council
NatWest Bank
WGN
Medusa Holdings Ltd
BigWord
Amazon

In attendance:

Neill Fishman
Henry Rigg
Janette Woodcock

West Yorkshire Combined Authority
West Yorkshire Combined Authority
West Yorkshire Combined Authority

8. Apologies for absence

Apologies received from Councillor Shabir Pandor, Councillor Alex Ross Shaw and Councillor Darren Byford.

9. Declarations of disclosable pecuniary interests

Colin Glass declared a significant interest in relation to Agenda Item 6 exempt appendices 3 and 4.

10. 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 1,2,3 and 4 to Agenda Item 6 on the grounds that it is 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.

11. Minutes of the meeting of the Business Investment Panel held on 2 September 2020

That the minutes of the Business Investment Panel held on 2 September 2020 be approved and signed by the Chair.

12. Strategic Inward Investment Fund

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

Resolved:

- (i) That the contents of the report be noted.
- (ii) That the Panel note the progress reports outlined at paragraphs 3.2 and 4.1.

13. Business Growth Programme

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

The Panel was asked to consider application 1114171 outlined at 1.2 detailed in exempt Appendices 1 and 2 and 1115505 detailed in exempt Appendices 4 and 5 and note the update at paragraph 4.1.

The Panel discussed the two grant applications in detail.

Following consideration of the applications, it was noted that the Panel was not in agreement to the approval of application 1114171.

With regard to application 1115505, the Panel were in majority agreement to approve the application with one member requesting that their disagreement to the recommendation to approve be placed on record.

Resolved:

- (i) That the contents of the report be noted.
- (ii) That the update at paragraph 4.1 be noted.
- (iii) That grant application 1114171, detailed in exempt Appendices 1 and 2, should not be recommended for approval.
- (iv) That grant application 1115505, detailed in exempt Appendices 3 and

4, be recommended for approval.

14. Date of next meeting 8 December 2020

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Report to: Business Investment Panel

Date: 8 December 2020

Subject: **Strategic Inward Investment Fund**

Director(s): Brian Archer, Director of Economic Services

Author(s): Neill Fishman, Service Manager, Economic Services Business Support

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).
- 1.2 That the Panel considers the application outlined at 3.1 and detailed in exempt **Appendices 1 and 2.**

2. Information

- 2.1 Spend and outputs for SIIF are detailed below.

Performance indicator	Target	Total commitments	Actual outputs (20/11/20)
Direct jobs	1,245	1,192	497
Jobs safeguarded	0	450	0
Number of enterprises	10	7	4
Number of foreign owned investments	n/a	3	2
Number of UK owned investments	n/a	3	1
Total investment	£120,450,000	£47,947,419	£41,333,741
Programme Spend	£10,950,000	£3,360,846	£2,153,999

- 2.2 To date, commitments of £3.36 million have been made, linked to the creation of 1,192 new jobs and the safeguarding of a further 450.

3. New applications

- 3.1 There is one new application for consideration. The application and appraisal are attached as detailed.

Project Ref	District	Total Investment	Grant Requested	Proposed New Jobs	Appendices
012	Leeds	£7,789,000	£778,900	156	1 & 2

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.

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 SIIF progress report.
- 9.2 That the Panel considers the grant applications detailed at 3.1 and attached at exempt **Appendices 1 and 2**.

10. Background documents

- 10.1 None.

11. Appendices

- 11.1 **Exempt Appendix 1** - application form for project reference 012.

11.2 **Exempt Appendix 2** - appraisal for project reference 012.

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Contains confidential information.

Agenda Item 5

Appendix 1

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Report to: Business Investment Panel

Date: 8 December 2020

Subject: **Business Growth Programme**

Director(s): Brian Archer, Director of Economic Services

Author(s): Neill Fishman, Service Manager, Economic Services Business Support

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 Growth Programme (BGP).
- 1.2 That the Panel considers the applications outlined at 3.1 and detailed in exempt **Appendices 1, 2, 3 and 4**.
- 1.3 That the Panel notes the update regarding applications considered at the meeting on 6 October 2020, as outlined at 4.1.
- 1.4 That the Panel notes the update regarding evaluation of the first round of the Productivity Pilot, as outlined at 5.1 and to be presented verbally at the meeting.

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 provides grants of over £100,000, the small scheme grants of between £10,000 and £100,000 and the Business Flood Recovery Fund grants of £5,000 to £100,000 for businesses affected by the Boxing Day Floods of 2015 (note that this programme is now closed to new applications) and also the floods of February 2020.

Performance indicator	Target	Big scheme committed	Small scheme committed	Flood grants committed	Total commitments	Actual outputs (31/10/20)
Direct jobs	4,100	3,157	3,070	n/a	6,227	5,022
Safeguarded jobs	n/a	152	0	1,541	1,693	1,691
Number of grant awards	765	48	769	74	891	793
Total investment	£168,500,000	£174,890,689	£225,791,629	£13,781,331	£414,463,649	£335,948,049
Programme Spend	£44,316,000	£11,132,704	£26,285,664	£3,198,632	£40,617,000	£36,350,508
Cost per job	n/a	£3,526	£8,562	n/a	£6,523	£7,239
Cost per job (including safeguarded jobs)	n/a	£3,364	n/a	£2,076	£5,128	£5,415

2.2 To date commitments of £37.42 million have been made through a combination of the big and small schemes, with a further £3.2 million awarded through the Business Flood Recovery Fund. It should be noted that application levels are at their highest since 2018/19. The volume of applications received during the first two quarters of 2020/21 are 40% up on corresponding period for 2019/20. This trend currently shows no sign of slowing day, with an average of five new applications being considered on a weekly basis.

2.3 As outlined in previous Business Investment Panel papers, grants are now funded through a combination of BGP and Access to Capital Grants (A2CG), both of which are funded through the Local Growth Fund.

2.4 All grant awards are listed in summary form on the LEP website and updated quarterly.¹

3. New large programme applications

3.1 There are two new applications for consideration. The applications and appraisals are attached as detailed.

Project Ref	District	Total Investment	Grant Requested	Proposed New Jobs	Appendices
1117174	Kirklees	£1,506,083	£150,603	26	5 & 6
1117493	Bradford	£1,894,019	£189,401	20	7 & 8
		£3,400,102	£340,004	46	

¹ <https://www.the-lep.com/about-us/governance-funding-and-transparency/grants-for-business/>

4. Updated on applications considered at Business Investment Panel on 6 October 2020

- 4.1 Panel members will recall that two applications were considered at Business Investment Panel on 6 October 2020.
- 4.2 The first was from a small business based in Calderdale which manufactures Kombucha Tea. The company was looking to invest circa £850,000 in improvements to its premises and additional equipment in order to increase production capacity. The grant requested was just over £135,000, with the expansion anticipated to create 12 new jobs. Panel members unanimously agreed to reject the application due to the high level of support previously provided to the company, and the fact that it had yet to return a profit and had significant accumulated losses. The company challenged the decision to reject the application verbally but did not follow it up in writing. As such, the application has been withdrawn.
- 4.3 The second application was from a medium-sized Bradford based business engaged in the manufacture of chemicals. It sought a grant of £235,000 towards an £8.5 million investment related to moving to, and constructing new, purpose-built premises on an Enterprise Zone site in Bradford. The expansion/relocation will create an additional 20 new jobs and will be complete by March 2022. The panel (with the exception of the elected member from Kirklees) agreed to support the application for the full amount requested, primarily on the basis of the strategic importance of the site to Bradford and the fact that the company is the first to commit to moving there so will act as a catalyst for others.
- 4.4 The recommendation to approve the application was made subject to three additional conditions. Firstly, that the company engages with the LEP with regard to establishment of a new apprenticeship programme. Secondly, it agrees to commit to paying staff the Real Living Wage within 18 months of the move (as opposed to the 24 months outlined in its application) and, lastly, it seeks independent state aid advice to ensure compliance owing to the level of wider public funding that has gone into the site to make it fit for commercial development. The company has accepted these additional terms and conditions and a funding agreement has been issued.

5 Productivity Pilot Evaluation, Round One

- 5.1 In late 2018, the LEP launched the first round of its Productivity Pilot. The pilot offered grants of up to £100,000 to support businesses with capital related investment(s) that would lead to productivity improvements, as opposed to job creation. A total of 11 applications were received and grants of just over £500,000 were offered to seven businesses. Leeds Beckett and the University of Huddersfield have recently undertaken an evaluation of the first round, findings from which will be presented verbally at the meeting.

6. Financial implications

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

7 Legal implications

- 7.1 The information contained in **Appendices 1, 2, 3 and 4** are 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.

8. Staffing implications

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

9. External consultees

- 9.1 No external consultations have been undertaken.

10. Recommendations

- 10.1 That the Panel notes the progress report.
- 10.2 That the Panel considers the grant applications detailed at 3.1 and attached at exempt **Appendices 1, 2, 3 and 4**.
- 10.3 That the Panel notes the updates at 4.1 and 5.1.

11. Background documents

- 11.1 None.

12. Appendices

- 12.1 **Exempt Appendix 1** - application form for project reference 1117174.
- 12.2 **Exempt Appendix 2** - appraisal for project reference 1117174.
- 12.3 **Exempt Appendix 3** - application form for project reference 1117493.
- 12.4 **Exempt Appendix 4** - appraisal for project reference 1117493.

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