
Report to: Business Investment Panel

Date: 7 March 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 (15/02/19)
Direct jobs	4,100	2,923	2,357	n/a	5,280	3,607
Safeguarded jobs	n/a	152	0	1,541	1,693	1,682
Number of grant awards	765	39	585	63	687	594
Total investment	£168,500,000	£155,214,164	£166,776,411	£12,793,515	£334,784,090	£262,458,896
Programme Spend	£44,316,000	£9,039,674	£19,947,686	£2,860,375	£31,847,735	£27,534,124
Cost per job	n/a	£3,093	£8,465	n/a	£6,032	£7,634

Performance indicator	Target	Big scheme committed	Small scheme committed	Flood grants committed	Total commitments	Actual outputs (15/02/19)
Cost per job (including safeguarded jobs)	n/a	£2,940	n/a	£1,856	£4,568	£5,206

- 2.2 To date commitments of £28.99 million have been made through a combination of the big and small schemes. 12 applications to the small scheme, with a combined grant value of £482,792, were approved under sub-delegations in January 2019.
- 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 Of a total of 66 projects approved, three have been withdrawn, 58 are complete and £119,528 is left to pay to five businesses whose projects are still live.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.¹

3. New large programme applications

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

Project Ref	District	Total Investment £	Grant Requested £	Proposed New Jobs	Appendices
1101231	Wakefield	£1,480,000	£148,000	12	1 & 2
1101024	Bradford	£1,059,000	£200,000	18	3 & 4
		£2,539,000	£348,000	30	

4. Update on large programme application considered at Panel on 10 January 2019

- 4.1 At Panel on 10 January 2019, Members considered an application (project reference 1100964) from a business looking to expand in Kirklees. The business had asked for grant support of £180,000, but it was recommended that the project be approved at a lower level than the level requested, as the business had a previous grant award of £126,500 in June 2017. Approving at the level requested would have taken the business over the maximum

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

£250,000 a business can be awarded in a three year period, since the introduction of the multiple applications criteria in 2018. A reduced level of £123,500 was therefore recommended. This was formally approved by the Combined Authority's Managing Director on 23 January 2019. A funding agreement is now being finalised with the business, with the business contracted to creating at least 50 jobs, at least 20 of which must be paying the real living wage.

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, 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 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 applications detailed at 3.1 and attached at exempt **Appendices 1, 2, 3 and 4** and notes the update at 4.1.

10. Background documents

10.1 None.

11. Appendices

Exempt Appendix 1 - application form for project reference 1101231.

Exempt Appendix 2 - appraisal for project reference 1101231.

Exempt Appendix 3 - application form for project reference 1101024.

Exempt Appendix 4 - appraisal for project reference 1101024.