
Report to: Business Investment Panel

Date: 3 December 2019

Subject: **Business Growth Programme**

Director(s): Henry Rigg, Interim 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 Growth Programme (BGP).
- 1.2 That the Panel considers the applications outlined in 3.1 and detailed in exempt **Appendices 1 and 2**.
- 1.3 That the Panel notes the update on previously approved projects as outlined in 4.3 and attached at exempt **Appendix 3**.

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 (14/11/19)
Direct jobs	4,100	3,085	2,679	n/a	5,764	4,408
Safeguarded jobs	n/a	152	0	1,541	1,693	1,691
Number of grant awards	765	44	659	63	766	688

Performance indicator	Target	Big scheme committed	Small scheme committed	Flood grants committed	Total commitments	Actual outputs (14/11/19)
Total investment	£168,500,000	£161,741,592	£190,885,411	£12,787,881	£365,414,884	£293,540,939
Programme Spend	£44,316,000	£10,065,784	£22,451,345	£2,854,742	£35,371,870	£31,035,243
Cost per job	n/a	£3,263	£8,382	n/a	£6,137	£7,041
Cost per job (including safeguarded jobs)	/a	£3,110	n/a	£1,853	£4,744	£5,089

- 2.2 To date commitments of £32.52 million have been made through a combination of the big and small schemes. Eight applications to the small scheme, with a combined grant value of £264,793, were approved under sub-delegations in October 2019.
- 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 LGF.
- 2.4 Commitments through the Business Flood Recovery Fund currently stand at £2.85 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 There is one new application for consideration. The application and appraisal form are attached as detailed.

Project Ref	District	Total Investment £	Grant Requested £	Proposed New Jobs	Appendices
1105916	Leeds	1,339,200	133,920	18	1 and 2
		1,339,200	133,920	18	

4. Update on application considered at panel meeting on 7 November 2019

- 4.1 At panel on 7 November 2019 members considered an application from a Kirklees based business engaged in the design and manufacture of bespoke automation machinery. Owing to growth being experienced, it needs to move to new, larger premises in order to facilitate further growth. A 70,000 square building in Ossett (Wakefield district) has been identified, which requires

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

investment of £2.916 million in fit-out and additional machinery to make it fit for operational purpose. The company requested a grant of £250,000 towards the investment, which will create up to 74 new jobs, including 14 for apprentices. Panel members recommended that the application be supported at the level requested. The application was formally approved by the Combined Authority's Managing Director on 12 November 2019. A formal funding agreement is in the process of being drawn up.

5. Update on previously approved applications

- 5.1 An update is provided at **Appendix 3** regarding two previously approved projects, Ref: 1099606 and 1103454 that have had offers withdrawn since the last panel meeting on 7 November 2019.

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 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.

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 and 2**.
- 10.3 That the Panel notes the update on previously approved projects as outlined in 5.1 and attached at exempt **Appendix 3**.

11. Background documents

None.

12. Appendices

Exempt Appendix 1 - application form for project reference 1105916.

Exempt Appendix 2 - appraisal for project reference 1105916.

Exempt Appendix 3 - update on project references 1099606 and 1103454.