
Report to: Business Investment Panel

Date: 5 February 2020

Subject: **Business Growth Programme**

Director(s): Brian Archer, Director 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 application outlined at 3.1 and detailed in exempt **Appendices 1 and 2**.

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 (31/12/19)
Direct jobs	4,100	3,084	2,754	n/a	5,838	4,485
Safeguarded jobs	n/a	152	0	1,541	1,693	1,691
Number of grant awards	765	44	679	63	786	694
Total investment	£168,500,000	£160,784,089	£197,709,348	£12,787,881	£371,281,318	£300,987,995
Programme Spend	£44,316,000	£10,029,704	£23,267,118	£2,854,742	£36,151,563	£31,633,174

Performance indicator	Target	Big scheme committed	Small scheme committed	Flood grants committed	Total commitments	Actual outputs (31/12/19)
Cost per job	n/a	£3,252	£8,450	n/a	£6,193	£7,054
Cost per job (including safeguarded jobs)	n/a	£3,099	n/a	£1,853	£4,801	£5,122

- 2.2 To date commitments of £33.29 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 £443,236, were approved under sub-delegations in November 2019 and sixteen applications, with a combined grant value of £725,213, were approved under sub-delegations in December 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 are attached as detailed.

Project Ref	District	Total Investment £	Grant Requested £	Proposed New Jobs	Appendices
1105709	Leeds	3,618,683	250,000	20	1 & 2
		3,618,683	250,000	20	

4. Update on application considered at panel meeting on 3 December 2019

- 4.1 At Panel on 3 December 2019 members considered an application from a printing and direct mail business based in Leeds. The application related to the direct mail arm of the business. The company requested a grant of £133,920 towards an investment of £1,339,200 in two new items of machinery to enable it to move away from packaging and distributing mail which is currently wrapped in polyester to being wrapped in paper, which brings with it significant environmental benefits. The investments will create a total of 18 new jobs, plus

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

two apprentices. The jobs will be created very quickly within a six-month period, with the exception of the apprentices, which will be staggered over a 12 to 18-month period.

- 4.2 Panel members were supportive of the application (but with conditions), and it was formally approved by the Combined Authority's Managing Director on 9 December 2019. A more detailed update can be found at 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 applications detailed at 3.1 and attached at exempt **Appendices 1 and 2**.
- 9.3 That the panel notes the update at 4.1 and attached at exempt **Appendix 3**.

10. Background documents

- 10.1 None.

11. Appendices

- 11.1 **Exempt Appendix 1** - application form for project reference 1105709.

Exempt Appendix 2 - appraisal for project reference 1105709.

Exempt Appendix 3 - update on project reference 1105916.