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**Report to:** Business Investment Panel

**Date:** 6 October 2020

**Subject:** **Business Growth Programme**

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## 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, 2, 3 and 4.**
- 1.3 That the Panel notes the update at 4.1.

## 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 (18/09/20)
Direct jobs	4,100	3,121	2,952	n/a	6,073	4,826
Safeguarded jobs	n/a	152	0	1,541	1,693	1,691
Number of grant awards	765	46	743	69	858	764
Total investment	£168,500,000	£164,921,689	£218,939,207	£13,357,217	£397,218,114	£326,707,385

Performance indicator	Target	Big scheme committed	Small scheme committed	Flood grants committed	Total commitments	Actual outputs (18/09/20)
Programme Spend	£44,316,000	£10,697,704	£25,525,641	£3,062,913	£39,286,258	£35,064,899
Cost per job	n/a	£3,428	£8,647	n/a	£6,469	£7,266
Cost per job (including safeguarded jobs)	n/a	£3,268	n/a	£1,988	£5,059	£5,381

- 2.2 To date commitments of £36.22 million have been made through a combination of the big and small schemes, with a further £3.06 million awarded through the Business Flood Recovery Fund.
- 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.<sup>1</sup>

### 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
1114171	Calderdale	£848,167	£135,966*	12	1 & 2
1115505	Bradford	£8,500,000	£250,000	20	3 & 4
		<b>£9,348,167</b>	<b>£385,966</b>	<b>32</b>	

\* Equivalent to 151,972 euros based on exchange rates as at 21 September 2021.

### 4. Updated on application considered at Investment Panel on 2 September 2020

- 4.1 Panel members will recall that a grant application from a York based brewery was considered at the meeting on 2 September 2020. The application related to the company's need to move to larger premises in order to expand to increase production capacity to meet growing demand for its range of products. The grant request was for £200,000 against total project costs of £1.469 million in relation to fit out of the new premises and investment in additional capital equipment.

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

- 4.2 The expansion will be complete by the end of 2020 and will create 16 new jobs. Following relocation, the company will also establish an Apprentice Brewer Programme and commit to recruiting two Apprentices on an annual basis. Panel members recommended that the application be supported for the full amount requested. It was formally approved by the LEP's Director of Economic Services on 10 September 2020. The company has accepted the offer and a formal funding agreement is in the process of being drawn up.

## **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** 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.

## **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**.
- 9.3 That the Panel notes the update at 4.1.

## **10. Background documents**

- 10.1 None.

## **11. Appendices**

**Exempt Appendix 1** - application form for project reference 1114171.

**Exempt Appendix 2** - appraisal for project reference 1114171.

**Exempt Appendix 3** - application form for project reference 1115505.

**Exempt Appendix 4** - appraisal for project reference 1115505.

