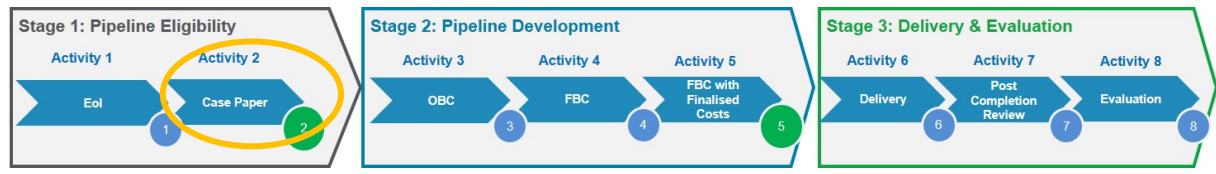


Scheme Summary

Name of Scheme:	Digital Sector Soft Landing Scheme
PMO Scheme Code:	GD-PA1-008
Lead Organisation:	West Yorkshire Combined Authority
Senior Responsible Officer:	David Shepherd
Lead Promoter Contact:	Sam Lewis
Applicable Funding Stream:	Growth Deal
Growth Fund Priority Area (if applicable):	Priority 1 Growing Business
Forecasted Full Approval Date (Decision Point 5):	21 July 2017
Forecasted Completion Date:	31 March 2021
Total Scheme Cost (£):	£1.00m + match funding
WYCA Funding (£):	£1.00m
Total other public sector investment (£):	None
Total other private sector investment (£):	Circa £0.9m (match funding)
Is this a standalone Project?	No
Is this a Programme?	Yes
Is this Project part of an agreed Programme?	N/A
Current Funding Allocation:	£13.45m of Growth Deal 3 funding, of which £1m will be allocated towards the Digital Sector Soft Landing Scheme.

Current Assurance Process Activity:



Scheme Description:

This is a scheme to support digital technology inward investing businesses to locate in Leeds City Region (Barnsley, Bradford, Calderdale, Craven, Harrogate, Kirklees, Leeds, Selby, Wakefield, York). The scheme was outlined in the Leeds City Region submission to Growth Deal 3 and £13.45m of funding was allocated, of which £1m will be allocated towards the Digital Sector ‘Soft Landing’ Scheme.

A scheme will be designed subject to the applicable State Aid regulations which will enable the region to attract new activity from investor businesses in the digital and technology sector. This scheme will be designed to de-risk initial investments from these businesses by subsidising office space, contributing towards capital costs and funding other eligible costs. In this case it is proposed that the grants will be de minimis, this allows public sector support up to a maximum of €0.20m over a three year rolling period.

The scheme is specifically intended to support new entrant businesses who will actively contribute to the dynamism and strength of the region’s digital technology sector. Awards will be intended to secure initial “foothold” investment, which will develop over time into more substantial growth and presence in the region. We are anticipating small grant applications for funding between £5,000 and £50,000.

The scheme will run until 2021 and we will support the creation of over 170 net new jobs, supporting 30 strategic digital and technology inward investing businesses new to the City Region.

Business Case Summary:

Strategic Case	The project addresses Priority 1 of the SEP through supporting new investment into the region, in the priority digital sector, that will boost business growth and productivity.
Commercial Case	<p>Leeds City Region is competing both nationally and internationally to win new investment from businesses either expanding or relocating mobile operations.</p> <p>Increasingly we have found that the region is unable to compete against regions with greater devolved funding powers including other city regions and the Devolved Administrations of Scotland, Wales and Northern Ireland.</p> <p>In these cases the ability of these regions to help to financially de-risk projects by inward investors can be critical in winning the business case for investment.</p> <p>There is an opportunity to use the money allocated under Growth Deal 3 as a scheme to help win the business case for critical new investment projects to assist in attracting small digital businesses to relocate to the City Region.</p>

Economic Case	<ul style="list-style-type: none"> • Successful inward investment projects – 30. • New jobs created – 170. • Match funding of at least £0.9m (assuming private sector leverage of 1:1).
Financial Case	<p>The majority of funding will be used for grants, currently roughly estimated at £900k with the remainder available to support employment of an officer to process and monitor applications and to support WYCA overheads.</p>
Management Case	<p>The project will be managed within the Trade and Inward Investment Team and will be available to be used as a tool for existing officers to attract new business to the region.</p> <p>An officer will be recruited to manage the processing and monitoring of applications for both this scheme and the Strategic Inward Investment Fund.</p> <p>The intention is for the project to commence in July 2017. Whilst some risks have been identified these can be mitigated.</p>