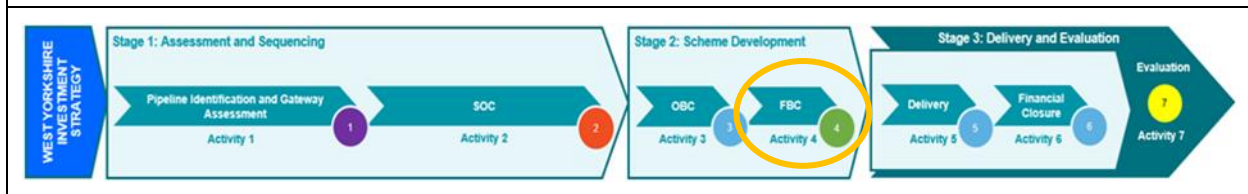


Section A: Scheme Summary

Name of scheme:	West Yorkshire Business Accelerator Limited Partnership (WYBALP)
Lead organisation:	West Yorkshire Combined Authority
Applicable funding stream(s) – Grant or Loan:	Growing Places Fund Recovered Funding
Growth Fund Priority Area (if applicable):	Not applicable
Approvals to date:	No approvals to date
Forecasted full approval date (decision point 4):	Combined Authority 9 December 2021
Forecasted completion date (decision point 5):	March 2032
Total scheme cost (£):	£21,650,000
Combined Authority funding (£):	£21,650,000
Total other public sector investment (£):	Potential for co-funding opportunities
Total other private sector investment (£):	Potential for co-funding opportunities
Is this a standalone project?	Yes
Is this a programme?	Yes
Is this project part of an agreed programme?	Yes, the project is part of the SME Access to Finance element supporting delivery of the Economic Recovery Plan and the Business Productivity & Resilience Plan.

Current Assurance Process Activity:



Scheme Description:

The Combined Authority has identified a need for additional regional funding for high growth small and medium-sized businesses (SME's). Using money previously invested and recovered from the Growing Places Fund, the Combined Authority will use £21,888,000 to establish a new commercial investment fund – the West Yorkshire Business Accelerator Limited Partnership (WYBALP).

The Fund will provide access to debt and equity investment for high growth businesses in key sectors or innovative businesses with high growth potential in West Yorkshire.

The Fund will take the form of an English limited partnership with the Combined Authority as its sole limited partner. It will operate on a commercial basis to generate a financial return over the longer-term and support economic growth across the region.

The Fund will be operated by a Financial Conduct Authority (FCA) regulated external fund manager who will be the General Partner and have delegated decision-making powers for investments.

Business Case Summary:

Strategic Case	<p>The Fund will provide a new Access to Finance product, which will be delivered alongside the Combined Authority's existing grants and loans programmes.</p> <p>The Fund will target high growth SMEs, generating strong commercial returns, supporting growth in high value employment, and promoting a low carbon economy.</p> <p>The Fund supports Strategic Economic Framework Priority 1 – Boosting Productivity, by filling the funding gap that exists for specific types of business/sectors and providing alternative funding for new businesses in West Yorkshire and creating a legacy investment fund through the recycling of investment returns.</p> <p>The Fund will be established as an Environmental, Social, and Corporate Governance (ESG) fund, and will seek to invest in organisations promoting inclusive governance and leadership, job creation, safeguarding of jobs, training, and skills. It will also support measures to tackle the climate emergency by seeking to invest in businesses with low carbon credentials and businesses with diverse and inclusive leadership and representation.</p>
Commercial Case	<p>The Leeds City Region has an established financial services market, as well as priority opportunities for investment, with regionally managed public and private sector funding products which have been designed to support</p>

	<p>economic growth. However, gaps remain in the availability of some types of finance, which are limiting some of the region's potential growth opportunities. The Fund seeks to fill the investment gap.</p> <p>The procurement route to market to select an experienced fund manager is an open tender to allow a wide range of suppliers to apply for the tender. An initial 10-year contract with the successful fund manager, is planned. The ambition for the Fund is that all profits will be recycled back into the Fund to be used for other business investment opportunities within West Yorkshire.</p>
Economic Case	<p>The Fund aims to fill the investment gaps that remain in the availability of some types of finance, which are limiting some of the region's potential growth opportunities. The Fund aims to deliver a wide range of benefits including creating new high value jobs, safeguarding jobs and creating opportunities for apprenticeships, through the Fund's investments to support start-ups and scale-up SMEs and deliver economic growth opportunities.</p>
Financial Case	<p>The total cost scheme costs are £21,650,000. The includes costs for the operation of the Fund through the fund manager and the Combined Authority's internal procurement, set up and staffing costs.</p> <p>The Combined Authority will be the sole investor to the Fund initially, although opportunities exist for both public and private co investment. The Fund will use money previously invested and recovered from the Growing Places Fund.</p>
Management Case	<p>A project board has been established to manage performance of the Fund and will meet on a quarterly basis to appraise the Fund's performance against contractual targets, and to identify and manage issues and risks.</p> <p>The Business Investment Panel will act in an advisory capacity, to ensure that any proposed loans comply with the agreed Investment Strategy. Quarterly updates will be provided to the Business, Economy, and Innovation Committee, which has the authority to make any decisions related to the Fund.</p>