

Meeting of the Solent LEP Business Support Investment Panel to be held on:

Thursday 14th September 2017: 10:00 AM - 12:00 PM

Item	Title	Time
1.	Introductions	10:00 - 10:15
2.	Apologies for absence	
3.	Minutes of previous meeting - 15 th June 2017	
4.	Matters Arising	
5.	Declarations of Interest	
6.	Business Support Programmes Status Update Report	10:15 - 10.25
7.	Project Contract Updates - confidential	10:25 - 10:45
8.	Consideration of Solent Growth Fund Applications - commercial in confidence	10:45 - 11.30
9.	Any other business <ul style="list-style-type: none"> - Future Meetings 2017 (19th October & 14th December) - 2018 Outline Programme - Business Engagement Steering Group - Enterprise Solent magazine https://solentlep.org.uk/media/2044/enterprise-solent-july-2017.pdf	11:30 - 12:00

Meeting to close at 12:00 noon



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Item: 6
Title: Business Support Programmes Status Update
Date: 14th September 2017
Purpose: To provide the Business Support Investment Panel with an update on the SME Grant programmes and Regional Growth Fund Legacy Programmes.

Introduction

This report provides Panel members with an update in relation to progress and changes to LEP Business Support grant programmes since the 15th June 2017 meeting. It includes high level information and summaries of officer recommendations in relation to applications to be considered at the Panel meeting.

Governance update

The Solent LEP is updating the process for publication of information in relation to funding decisions made by the Board and Investment Panels in light of the Government's requirement for greater transparency in the decision-making of LEPs. While Solent LEP is considered one of the best in the country in terms of transparency, it is working to further improve this in light of changes coming through from Government. Therefore, members should note there will be some key changes in the way the Solent LEP will make information about activities and decisions made by the Business Support Investment Panel and awards to local businesses public more quickly (before and after Panel Meetings) through its website while retaining commercially sensitive information provided by applicants confidential.

Regional Growth Fund Project Monitoring

The Solent LEP has been undertaking monitoring work with previous beneficiaries to confirm the delivery and sustainment of job outputs, in line with our contractual arrangements with central Government, throughout a monitoring period which is typically two years from the date in which the final grant funding was claimed.

This has included writing to all projects that had reached the end of their first 12 month period since final funding payments were made to a number of grant funded projects. In total 41 beneficiaries were written to and the Executive Team has received 37 responses to date. In addition to this, a number of projects were paid the remainder of their grant award in advance of completion, as agreed by the panel.

The Executive Team have been following up these beneficiaries to seek an updated Accountant's Report to advise on job outcomes achieved since May 2016.

The Executive also selected 12 beneficiaries from the programme list and met with them to go through their monitoring returns.

The details of beneficiaries contacted and responses provided in relation to job numbers achieved and sustained through the Bridging the Gap Solent wide and Impact funds can be viewed in Item 7.

In summary, it can be seen that the majority of the businesses that benefitted from this fund have maintained the jobs achieved and in 11 cases overachieved their job numbers. Final confirmation on job numbers is awaited from 6 businesses. Two businesses have ceased trading and this represents an extremely low failure rate. In total terms, the fund is forecast to overperform against its contracted job targets.

Current Fund Status

The status of the funds and job outputs, as of August 2017, can be seen in Table 1 overleaf.

The programmes that are open to applications are currently rated Green in terms of defrayal and job creation dates.

Table 1

Solent Growth Fund (consisting of BTG Growth, Armed Forces Fund, Marine & Maritime Fund, IoW Rural SME Fund, Solent Growth Fund, Havant SME Fund, Capital Investment Fund, Small Business Programme, Capital Investment Fund)									
Current Fund End Date: 31.03.2019 Jobs created by: 31.03.2019									
FUNDS					JOBS				
Funding Available	Live Projects: Contracted	Pipeline Projects: At Panel	Remaining (Target less live & pipeline projects)	Target	Live Projects: Jobs Contracted	Live Projects: Actual to date	At Panel	Remaining (Target less contracted jobs)	
Totals (2015/16 - 2020/21)	£12,800,000 ¹	£1,223,919	£940,894	£10,635,817	2,000 ²	301	90	136	1,699
BTG Growth (Fund Closed - replaced by successor funds)	£588,333	£266,600	£0	£0 (Fund closed: replaced by successor funds)	83	83	45	0	0 (Fund closed: replaced by successor funds)
Armed Forces	£250,000	£35,100	£0	£214,900	45	8	3	0	37
Marine and Maritime Growth Fund	£250,000	£152,500	£31,515	£65,985	45	29	12	5	16
IoW Rural SME Fund (managed by Natural Enterprise)	£750,000	£430,294	£0	£319,506	96	89	30	0	7
Solent Growth Fund (Fund Closed - replaced by successor funds)	£78,000	£78,000	£0	£0 (Fund closed: replaced by successor funds)	30	19	0	0	0 (Fund closed: replaced by successor funds)

¹ £12.8m consisting of £2m per annum from Local Growth Deal 2015/16 to 2020/21 and £0.8m ERDF from November 2016 to December 2019

² 2000 jobs consisting of 1,800 jobs in total from Local Growth Deal 2015/16 to 2020/21 and 200 jobs in total from ERDF from November 2016 to December 2019

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Havant SME Fund	£250,000	£117,248	£25,000	£107,752	45	25	0	6	20
SGF - Capital Investment Fund	£3,200,000	£287,280	£1,136,194	£1,776,526	350	33	0	98	1,335
SGF - Small Business Programme	£1,800,000	£89,467	£82,582	£1,627,951	200	15	0	27	158
Remaining Funds in future years (to be confirmed)	£5,633,667	Not yet available	N/A	£5,633,667	1106	N/A	N/A	N/A	1106

Progress update

Contracting

At the previous panel meeting on 15th June 2017 four awards were agreed, as listed below.

Company Name	Amount	Offer
Calmore Independent Dental Practice	£40,056	Grant
Rapanui Clothing Ltd	£49,411	Grant
Straightpoint (UK) Ltd	£19,954	Grant
Williams & Co (Southampton) Ltd recommended for support	£199,800	Grant

The application from Williams & Co was further considered by the Solent LEP Funding, Finance and Performance Management Committee at its meeting on 22nd June 2017 and was approved for support.

The LEP Executive Team have informed all applicants of the outcomes from June's panel meeting, have contracted with the above beneficiaries, and begun to process initial claims against awards.

The next application deadline for submission to the SME support funds is **8th September 2017**. Applications received by this date will be considered by the panel at its meeting on **19th October 2017**.

Small Business Programme Funding

At the time of writing, the panel should note that the LEP Executive continue to be in discussions regarding the contractual arrangements with the Managing Authority for the EU Fund which contributes to the Small Business Programme. A meeting with the Managing Authority (Department for Communities and Local Government) is planned for 11th September 2017 and a verbal update on its outcome will be provided at panel.

Bridging the Gap - Growth Fund

The above fund was the initial tranche of the Solent Growth Fund offered to Solent businesses in 2015. The fund was closed in March 2016 with 15 beneficiaries supported through the programme. The final claim date was set for 15th October 2017 with all project expenditure and job outcomes to be achieved by 30th September 2017. While the majority of businesses supported under this fund have completed their project and claimed their grant funding, six projects have yet to draw down the final payment. The panel is asked to consider a further extension to 31st December 2017 which will enable these beneficiaries to fully complete their project and claim the last portion of their grant awards.

Projects to be considered at the Panel Meeting

The LEP Executive Team received 12 new applications for funds by the 14th July 2017 deadline to be considered by the panel.