

Appraisal Panel Summary

Scheme Details

Project Name	Company 19 (MS)		
Grant Recipient	Company 19 (MS)		
SCR Executive Board	Business Growth	SCR Funding	£36,584
% SCR Allocation	50%	Total Scheme Cost	£73,168

Appraisal Summary

Project Description
The project is to invest in a paperless warehouse management system enabled with WiFi technology and integrated with the logistics system to support efficient stock management and distribution.
Value for Money
The applicant has completed the “Bain Digital” Digital Readiness tool for their current position, which demonstrated that they had completed 82% of their “digital journey”.
The project is estimated to create 6 FTE’s by 2020. This would represent a gross cost per job to SCR of £6,097. Therefore, this project will provide good value for money.
Legal
De Minimis: The grant would be awarded under the De Minimis Regulation 1407/2013. This allows maximum support of €200,000 over a three fiscal year period to companies operating in this sector and a declaration provided by the company supports eligibility under this scheme. <i>(€100,000 threshold for companies operating in transport sector).</i>

Recommendation and Conditions

Recommendation	Full Grant Award
Payment Basis	Payment on defrayal
Conditions of Award (including clawback clauses)	
<i>The following conditions must be satisfied before contract execution.</i>	
<ol style="list-style-type: none"> 1. Formal confirmation that all other funding required to deliver the project is in place. 2. Agree appropriately detailed schedule of inclusive growth indicators and targets (e.g. % of [previously unemployed] locals offered permanent contracts and apprenticeships, mentoring and school engagement and engagement with the local supply chain) to ensure the project delivers wider socio-economic benefits and that these can be captured, monitored and reported. <p>The conditions above should be fully satisfied by 21st August 2019. Failure to do so could lead to the withdrawal of approval.</p>	
<i>The following conditions must be satisfied before drawdown of funding.</i>	
<ol style="list-style-type: none"> 3. Submission of evidence of Board approval for the scheme 4. Formal confirmation of commitment to address any cost overruns (without recourse for further LGF support) without unduly compromising project outputs and outcomes. 	

The following conditions must be included in the contract

5. Clawback on outputs only

CIAT External Consultant Opinion – Company 19

Project Description

The project is to invest in a paperless warehouse management system enabled with WiFi technology and integrated with the logistics system to support efficient stock management and distribution.

Table 1: 19 - Summary

Project Cost	£73,168	
Grant Funding Request	£36,584	
	50%	
Score	16.36	
	65%	
Rank within Funding Stream	4	
Financial Risk	Acceptable	

Table 2: 19 - Appraisal Summary

Case	Comments
Strategic	Use of new bespoke technologies to improve efficiency of warehouse operation. Fit with Made Smarter principles around a significant change from 'business as usual'. Growth plans linked to SCR priorities on job creation and innovation.
Commercial	Strong evidence of business demand provided, and new technologies linked with move to new, larger Chesterfield warehouse demonstrates growth ambition. No current or planned export activity.
Economic	Used the digital readiness tool to establish current position. 11 new jobs to be created by 2020, although job creation may still take place in the event project does not go ahead (but delayed 18-24 months).
Financial	Overall business risk rating considered to be 'Low / Moderate'. Overall rating: Green - no financial indicators that present a concern.
Management	Management team identified, and processes detailed. Project is ready to start as quotes have been obtained. Milestones have been identified and seem appropriate; project and program risks have been considered in part (3 week contingency and fixed price quote to avoid budget increases). Benefits are expected to be realised within 6 months.

Table 3: 19 – Common Issues Checklist

Element	Comment
Financial history	Provided.
Quotes for services	Quote for services will need to be appended and verified for grant funding to be approved.
Match funding	50% match funding requested. Funding request is for capital funds only.
Financial declarations	Confirmed that the director(s) have not closed a similar activity in the EEA in the past 2 years, nor do they intend to do so for a period of 2 years further to the proposed investment.
Directors Declarations	No positive responses.
Submission signed	Yes, but only provided scanned last page. Complete document required should the application be successful.
Other	-