

Appraisal Panel Summary

Scheme Details

Project Name	Company 07 (PC)		
Grant Recipient	Company 07 (PC)		
SCR Executive Board	Business Growth	SCR Funding	£75,000
% SCR Allocation	28%	Total Scheme Cost	£271,574

Appraisal Summary

Project Description
The applicant is a manufacturer operating in the plastics sector. It is looking to invest in digital printing machine to double printing speeds, eliminate material costs and remove one process from the manufacturing procedure.
Value for Money
Using the ONS Productivity calculator, the project has been estimated to result in a 31% increase in productivity, with GVA per worker forecast to increase from £31,818 to £38,608 in 2019 and £44,444 in 2021. As a result of the project, it is estimated that an additional 4 FTE's would be created by 2020. This would represent a gross cost per job to SCR of £18,750. Therefore, this project provides 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. 	

The conditions above should be fully satisfied by 21st August 2019. Failure to do so could lead to the withdrawal of approval.

The following conditions must be satisfied before drawdown of funding.

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 07

Project Description

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Table 1: 07– Summary

Project Cost	£271,574	
Grant Funding Request	£75,000	
	28%	
Score	17.94	
	72%	
Rank within Funding Stream	2	
Financial Risk	Green: Acceptable	

Table 2: 07– Appraisal Summary

Case	Comments
Strategic	Use of digital printing technology to improve production time. Identified market for growth with targets primarily based in Western Europe, potential to increase export. Good fit with Productivity Challenge principles around improve efficiency. Growth plans linked to SCR priorities on growth outside local trading.
Commercial	Benefit from “try before you buy” arrangement, resolved teething problem at early stage. Evidences of potential business demand provided.
Economic	Used ONS Productivity calculator to estimate a 31% increase in productivity. 4 new jobs to be created in the long term.
Financial	Overall business risk rating considered to be ‘Low / Moderate’. Overall rating: Green - no financial indicators that present a concern.
Management	Project is ready implemented. Benefits are expected to be realised within 6 months.

Table 3: 07– 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	28% match funding requested. Funding request is for capital funds only. Currently negotiating terms with 3 possible funders.
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
Other	-