

Appraisal Panel Summary

Scheme Details

Project Name	Company 04 (PC)		
Grant Recipient	Company 04 (PC)		
SCR Executive Board	Business Growth	SCR Funding	£122,500 <i>(Note: max grant award if £100k)</i>
% SCR Allocation	50%	Total Scheme Cost	£245,000

Appraisal Summary

Project Description
The applicant is from the Advanced Manufacturing and Materials sector and is looking to focus on supplying to high value businesses (aerospace, medical and marine). The Company is seeking investment to reduce costs in order to stay competitive. This project is to invest in new machinery to automate processes and shorten lead time for production.
Value for Money
Using the ONS Productivity calculator, the project has been estimated to result in a 25% increase in productivity, with GVA per worker forecast to increase from £51,252 to £63,958. This project will provide acceptable value for money.
Legal
<p><u>De Minimis:</u> 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.</p> <p><i>(€100,000 threshold for companies operating in transport sector).</i></p>

Recommendation and Conditions

Recommendation	Full Grant Award
Payment Basis	Payment on defrayal
Conditions of Award (including clawback clauses)	
<p><i>The following conditions must be satisfied before contract execution.</i></p> <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. 3. Submission of acceptable State Aid position which may affect the value of the award <p>The conditions above should be fully satisfied by 21st August 2019. Failure to do so could lead to the withdrawal of approval.</p>	

The following conditions must be satisfied before drawdown of funding.

4. Submission of evidence of Board approval for the scheme
5. 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

6. Clawback on outputs only

CIAT External Consultant Opinion – Company 04

Project Description

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Table 1: 04 – Summary

Project Cost	£245,000	
Grant Funding Request	£122,500	
	50%	
Score	17.28	
	69%	
Rank within Funding Stream	4	
Financial Risk	Green: Acceptable	

Table 2: 04 - Appraisal Summary

Case	Comments
Strategic	In SCR key business sector. The new machinery automates process and improve productivity by release staff to perform skilled tasks than manual processing.
Commercial	Market focus in the medical and aerospace industry, both of which has been identified with potential growth. Actively involved Research and Development projects and create new opportunities.
Economic	Used ONS Productivity calculator to estimate 25% increase in productivity and safeguard the existing jobs of both employees and sub-contractors.
Financial	Overall business risk rating considered to be 'Low / Moderate'. Overall rating: Green - no financial indicators that present a concern. Requested SCR funding is higher than limit.
Management	Management team identified, and processes detailed. Project is ready to start if funding is in place, Quotes have been obtained. No consideration of risks to the project. High level timescale provided. Indicative program is 28 weeks, benefits are not expected to be realised within 6 months.

Table 3: 04 - Common Issues Checklist

Element	Comment
Financial history	Provided for 2016 and 2017. If 2018 accounts are available at the time of approval these should be provided for verification.
Quotes for services	Quote for services appended. Final project costs (including quote for services) will need to be verified for grant funding to be approved.
Match funding	50% match funding requested. Funding request is for capital funds only. Match funding is from hire purchase. Clarity is required to ensure project can still go ahead with only £100,000 of grant funding.
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.

Element	Comment
Directors Declarations	<p>Positive answer for Q9, in relation to public funding previously received for the company. Response may need further review and clarification as part of bid verification and approval.</p> <p><i>Has the company (or any of the directors been involved in a business which has) previously received funding from a lender under the terms of Enterprise Finance Guarantee Scheme or received financial assistance from any UK Government or European source?</i></p>
Submission signed	Yes
Other	-