

Appraisal Panel Summary

Scheme Details

Project Name	Company 02 (PC)		
Grant Recipient	Company 02 (PC)		
SCR Executive Board	Business Growth	SCR Funding	£99,988
% SCR Allocation	50%	Total Scheme Cost	£199,976

Appraisal Summary

Project Description
The applicant provides environmental services. The proposed investment is to purchase equipment to increase capacity to meet recent rise in demand.
Value for Money
The project is estimated to result in a productivity change of 15%, from £62,200 of GVA per worker to £71,700.
The project will also result in the creation of 4 FTE's, representing a gross cost per job to SCR of £24,997. Therefore, this project provides acceptable value for money.
Legal
<p>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.</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. <p>The conditions above should be fully satisfied by 21st August 2019. Failure to do so could lead to the withdrawal of approval.</p> <p><i>The following conditions must be satisfied before drawdown of funding.</i></p>	

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 02

Project Description

The applicant provides environmental services. The proposed investment is to purchase equipment to increase capacity to meet recent rise in demand.

Table 1: 02 – Summary

Project Cost	£199,976	
Grant Funding Request	£99,988	
	50%	
Score	16.64	
	67%	
Rank within Funding Stream	8	
Financial Risk	Green: Acceptable	

Table 2: 02 - Appraisal Summary

Case	Comments
Strategic	Invest in equipment to increase the company's capacity to deliver the service demand from the market and benefits from economies of scale. This links with SCR priorities on job creation and more business.
Commercial	Identified clear market for growth. Opportunities listed include the new industry investment period and request of service from existing clients. Reputation of company is good. Sales is constrained by capacity to deliver.
Economic	Used ONS Productivity calculator to estimate 15% increase in productivity. 4 new jobs to be created as a result of the project.
Financial	Overall business risk rating considered to be 'Low / Moderate'. Overall rating: Green - no financial indicators that present a concern.
Management	Management team and key milestone identified, quote has been obtained and negotiated, the project is ready to start. No mention of process and risks. Target utilisation of new equipment is April 2020 hence benefits are not expected within 6 months.

Table 3: 02 - 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 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. Match funding is from Capital.
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	-