

Industrial Development Act 1982

Annual Report

by the Secretary of State for Trade and
Industry, the First Minister of the Scottish
Executive, and the First Minister of the
National Assembly for Wales
for the year ended 31 March 2002

LONDON: THE STATIONERY OFFICE

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and the First Minister of the National Assembly for Wales
for the year ended 31 March 2002

*Presented to Parliament, the Scottish Parliament and the
National Assembly for Wales pursuant to sections 11 and 15
of the Industrial Development Act 1982*

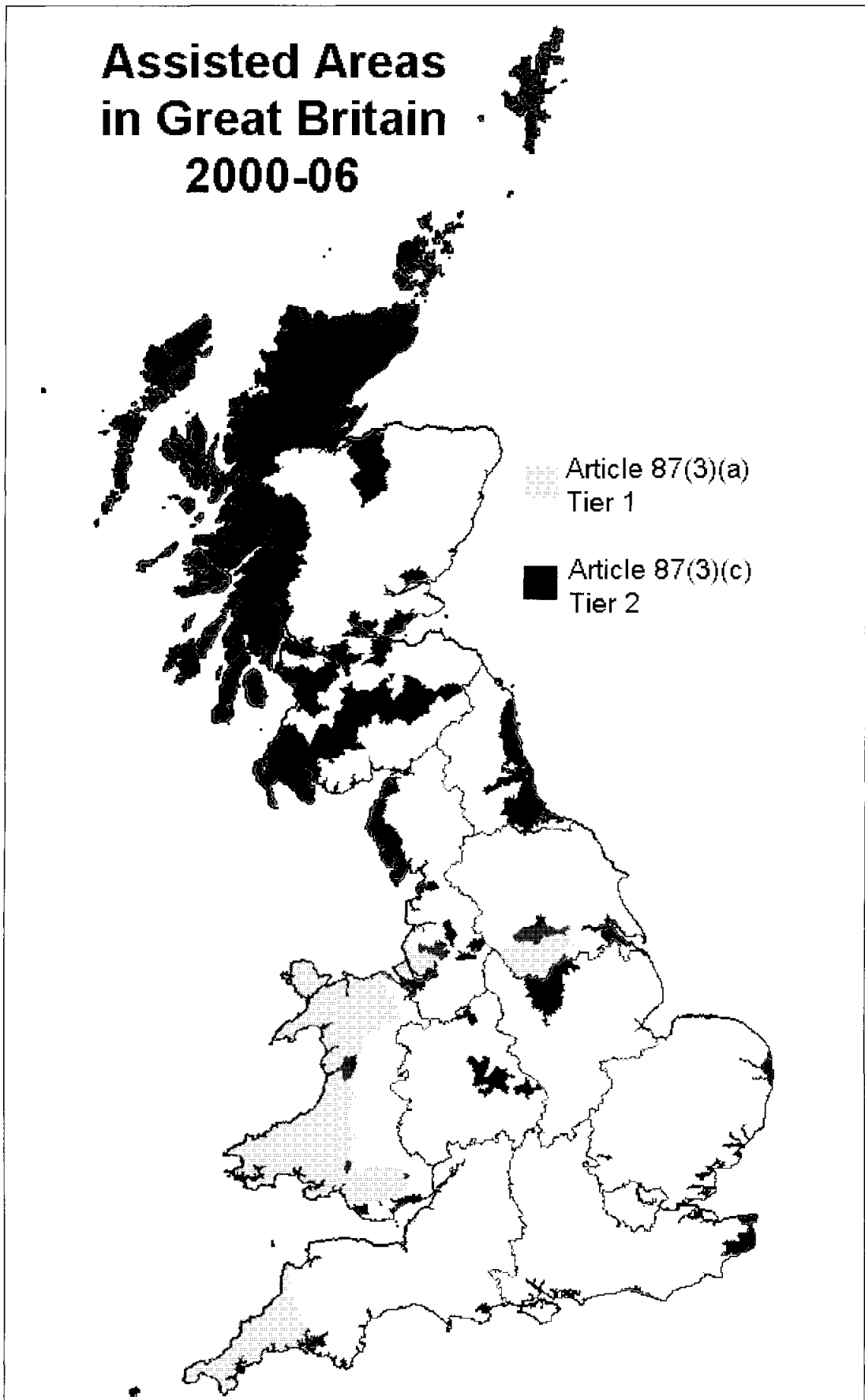
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Assisted Areas in Great Britain 2000-06



This map is intended to be used as a guide only.

Industrial Development Act 1982

Joint Report by the Secretary of State for Trade and Industry, the First Minister of the Scottish Executive and the First Minister of the National Assembly for Wales.

Introduction

1. As required by sections 11 and 15 of the Industrial Development Act 1982, this Report for the year ended 31 March 2002 describes the exercise of powers under the Act, including the powers under past legislation which the Act consolidated. Sections 11 and 15 of the Act are reproduced at **Appendix 1**.

2. As a result of the devolution legislation (the Scotland Act 1998, the Government of Wales Act 1998 and SI 1999/672), from 1 July 1999 some powers under the Act have been exercised in Scotland by the First Minister of the Scottish Executive, in Wales by the First Minister of the National Assembly for Wales and, concurrently throughout the UK, by the Secretary of State for Trade and Industry.

Assistance Under Section 7

3. Financial assistance in the Assisted Areas continued to be provided through a number of measures during the year.

Regional Selective Assistance Scheme

4. The purpose of providing assistance under section 7 is to encourage sound projects, which will improve employment opportunities in the Assisted Areas (see map on page iv). Projects qualifying for assistance fall into two broad categories:

- (a) new projects and expansions which create employment; and
- (b) projects, e.g. for modernisation or rationalisation, which do not provide extra jobs but maintain/safeguard existing employment.

5. All Regional Selective Assistance (RSA) applications are assessed against the following criteria:

- (a) **Location** – Projects must be undertaken in the Assisted Areas;
- (b) **Need** – Applicants must demonstrate that a grant is necessary to enable the project to proceed;
- (c) **Eligible investment** – The project must involve capital expenditure (of more than £500,000 in England) on fixed assets, such as property, plant and machinery; however, where this expenditure is insufficient, grant may be assessed against new jobs created. Expenditure can relate to expansion, modernising or the establishment of a new company;
- (d) **Jobs** – The project must create or safeguard jobs. But projects which are likely to create overcapacity, or which simply displace jobs elsewhere in the UK, or aim to relocate jobs from one part of the country to another, are not eligible for assistance;
- (e) **Viability** – Businesses and projects should be viable; and the project will normally be expected to become profitable within three years;
- (f) **Quality** – Four key factors are amongst those used to determine the quality of projects: wage levels, sustainable employment, R&D, and training;
- (g) **National and Regional benefit** – All projects should contribute positive benefits to both the regional and national economies;
- (h) **Prior commitments** – Project appraisal must have been completed and a formal offer of assistance issued, before the applicant enters into a commitment to proceed with the project; and

- (i) **Other funding** – The greater part of funding for the project should be met by the applicant or come from other sources in the private sector.

6. The powers to provide RSA in England are exercised by the Secretary of State for Trade and Industry. In Scotland and Wales, the First Minister of the Scottish Executive and the First Minister of the National Assembly for Wales exercise the powers.

7. As outlined in the White Paper on Enterprise, Skills and Innovation, 'Opportunity for All in a World of Change' (CM 5052) published in February 2001, RSA procedures have been streamlined to fit applicants' own planning better.

8. Set out below are brief details of RSA applications received and offers accepted during 2001/2002. Offers may relate to applications received in previous years.

Table 1

| | Applications Received | | Offers Accepted | |
|-----------------------|-----------------------|---------------|-----------------|---------------|
| | No. | Value £('000) | No. | Value £('000) |
| England ¹ | 216 | 169,372 | 174 | 78,940 |
| Scotland ² | 235 | 145,718 | 159 | 62,451 |
| Wales | 290 | 154,955 | 235 | 109,417 |
| Great Britain | 741 | 470,045 | 568 | 250,808 |

9. In 2001/2002, the number of RSA applications received in Great Britain increased to 741 from 545 in 2000/2001³. Despite this increase, the total value of RSA requested fell from £588 million in 2000/2001 to £470 million. The number of offers accepted fell slightly from 572 in 2000/2001 to 568 in 2001/2002, and the value of offers accepted also fell from £407.6 million to £250.8 million.

10. Broken down by country, Wales accounted for 41% of offers accepted, England for 31% and Scotland for 28%. In terms of the value of the offers accepted, Wales accounted for 44%, England 31% and Scotland 25%. Of offers accepted, England accounted for 43% of forecast employment and 46% of the associated project costs. Wales accounted for 30% of forecast employment and 29% of the associated project costs, and Scotland for 27% of forecast employment and 25% of the associated project costs.

11. Out of the total for England, the North West received 30% of applications (29% in 2000/2001), followed by the North East with 20% (16% in 2000/2001), and Yorkshire and the Humber with 17% (19% in 2000/2001). In terms of offers accepted during 2001/2002, the North West accounted for 28% (27% in 2000/2001) and the North East for 22% (15% in 2000/2001). In value terms, the North East accounted for 21% (42% in 2000/2001), and the North West for 20% (10% in 2000/2001). Of offers accepted, the North West accounted for 29% of forecast employment and 20% of associated project costs, while the North East accounted for 21% of forecast employment and 15.4% of associated project costs. The South East accounted for 15.3% of associated project costs and 9.5% of offers in value terms.

¹ figures exclude Enterprise Grant Scheme, which in England has replaced RSA for grants up to £75,000.

² figures include Invest for Growth Scheme.

³ figures for 2000/2001 do not include Invest for Growth Scheme.

12. The average cost per job of offers accepted in 2001/2002 was:

Table 2

| Country/Region | Value (£'000) | Forecast Employment | Average cost per job |
|--------------------------|---------------|---------------------|----------------------|
| Great Britain | 250,808 | 38,739 | £6,474 |
| Scotland ⁴ | 62,451 | 10,297 | £6,065 |
| Wales | 109,417 | 11,728 | £9,329 |
| England | 78,940 | 16,714 | £4,723 |
| East | 2,875 | 611 | £4,705 |
| East Midlands | 5,303 | 1,147 | £4,623 |
| London | 3,961 | 1,401 | £2,827 |
| North East | 16,535 | 3,525 | £4,691 |
| North West | 16,092 | 4,783 | £3,364 |
| South East | 7,560 | 1,308 | £5,780 |
| South West | 5,453 | 817 | £6,674 |
| West Midlands | 12,892 | 1,657 | £7,780 |
| Yorkshire and the Humber | 8,269 | 1,465 | £5,644 |

13. Since the start of recording quality RSA projects in October 2000, estimates suggest that nearly 60% of cases by value of offers accepted in England were identified as meeting the new quality criteria.

14. The amount of RSA offered to foreign owned companies provides a useful indicator of the level of inward investment. In the year to 31 March 2002, offers of £120.5 million were accepted for 85 projects in Great Britain, these projects were associated with capital investment of £678 million and were forecast to create 8,042 jobs and safeguard 8,341 jobs.⁵

Further details are at **Appendix 2**.

15. Details of offers of RSA against which first payments were made during the year to 31 March 2002 were published in Labour Market trends in April, July and October 2001, and January 2002.

16. On 2 April 2002, responsibility in the English regions for RSA below £2 million transferred to the Regional Development Agencies; appraisal of projects above this figure remain with the DTI.

Invest for Growth Scheme

17. The Invest for Growth Scheme was launched in Scotland in July 2000. This streamlined Scheme operates within the same legislative framework as, and complements, mainstream RSA. It addresses the needs of smaller businesses within the Assisted Areas, by providing easier and less costly access to grant assistance, with a simpler application process and faster turnaround times when grant is £100,000 or less. Table 3 provides details for 2001/2002.

Table 3

| | 2001/2002 |
|---------------------------------|-------------|
| Number of applications received | 149 |
| Value of applications | £8,200,350 |
| Number of offers accepted | 91 |
| Value of offers accepted | £4,584,400 |
| – Associated project costs | £23,466,900 |
| – Number of new jobs | 752 |
| – Number of safeguarded jobs | 95 |
| Payments | £1,652,100 |

⁴ figures include Invest for Growth.

⁵ figures exclude Invest for Growth.

Rover Task Force

18. Elements of the support package to address the potential loss of the Rover car plant in Birmingham were provided under section 7. (See Assistance Under Section 11 for detail.)

Assistance Under Section 8

19. Assistance to regional industrial development continued to be given under a number of measures during the year.

Transitional Arrangements for RSA Cases in Areas which lost Assisted Area Status in 1993

20. RSA support under section 7 is only available in the Assisted Areas. When the revised Assisted Areas map was announced in 1993, some areas lost their status, which impacted on the existing offers of RSA grants and those applications under active consideration. Given that no further payments were legally possible under section 7 of the Act, it was announced that payments of grants affected by the loss of Assisted Area status would be honoured under section 8 instead. This arrangement ran until March 2002, when projects affected were completed. Cumulative expenditure from 1 August 1993 to 31 March 2002 was £15.8 million.

21. Similar transitional arrangements were not needed following the expiry of the Assisted Areas map on 31 December 1999.

Enterprise Grant Scheme

22. The Enterprise Grant Scheme (EGS) in England began on 1 January 2000. It is a simplified discretionary Scheme for SMEs in the Assisted Areas ('Tier 1' and 'Tier 2') and in specified non-Assisted Areas ('Tier 3'). These three tiers are referred to collectively as Enterprise Grant Areas.

23. The Scheme replaces small-scale RSA grants in England up to a maximum of £75,000 on projects with capital investment up to a maximum of £500,000 (in special cases, it may be possible to exceed this limit). Small firms may receive up to 15% gross grant on capital investment; medium sized firms may receive up to 7.5% gross grant in Tier 3 areas and up to 15% in Tiers 1 and 2. Enterprise Grants are intended to complement the availability of commercial funds under the Enterprise Fund (see paragraph 36), which provides risk capital to SMEs with growth potential.

24. Enterprise Grants have the following objectives:

- (a) to develop and increase the SME base of Tiers 1, 2 and 3;
- (b) to improve the productivity and profitability of assisted firms; and
- (c) to improve the general skills level of the regional economy.

25. During the year, the Scheme was administered by the Government Offices (GOs) in each English region, with an annual budget allocated centrally by DTL. The GOs sought advice from the Regional Development Agencies (RDAs) towards prioritising projects, and are responsible for providing additional scheme criteria that reflect local needs. On 1 April 2002 responsibility for administration of the scheme transferred to the Small Business Service in each English region.

26. All applications for Enterprise Grants are assessed against the following criteria:

- (a) **Quality** – In general, high growth businesses seeking to maximise value added projects with quality output are given preference. It is not essential for a project to create jobs in order to qualify for the grant. Specific quality targeting is subject to regional variation. Factors that may be taken into account are:
 - supply chain improvements;
 - R&D;
 - training;
 - salary levels;

- innovation;
 - environmental sustainability; and
 - national and regional benefit (projects are considered against the RDAs' priorities).
- (b) **Proof of need** – The applicant must demonstrate that the assistance is necessary for the project to go ahead on the basis proposed;
- (c) **Viability** – Businesses should be viable and projects should have good prospects of becoming self-sustaining;
- (d) **Job displacement** – Projects which are likely to create over-capacity and displace jobs elsewhere may not qualify for a grant, e.g. retail, hotel and other service sector projects which serve only local need; and
- (e) **Public sector contribution** – The greater part of the cost of a project should be met by the applicant, or from other sources outside the public sector.

27. Some sectors are the subject of restrictions imposed by the European Commission, e.g. synthetic fibres, vehicles, food production, agriculture, fisheries, shipbuilding, coal, iron and steel.

28. Grant is given to support investment in fixed capital up to £500,000 (this can be exceeded in special cases but maximum grant remains £75,000) relating to:

- equipment, plant and machinery;
- some associated one-off costs such as the acquisition of patents; and
- associated land, site preparation and buildings.

29. Grant is normally calculated as a proportion of eligible investment. However, where this expenditure is insufficient, grant may be assessed against new jobs created. Replacement capital investment is excluded and working capital also does not qualify for support. Grants are usually paid in instalments related to the progress of the project and may be repayable if objectives are not met.

30. The total amount accepted in England during 2001/2002 was £18.8 million (compared to £15.2 million in 2000/2001). Further details are available at **Appendix 3**.

Regional Enterprise Grants

Regional Innovation Grants

31. In England, the Regional Innovation Grant Scheme was merged with the former SMART, SPUR, and SPUR Plus Schemes on 1 April 1997 to form a single, new Smart Scheme. After that date, payments continued to be made (resulting from earlier grant offers) until the final payment was made during the financial year 2000/2001. No payments were made during 2001/2002.

32. In Scotland, Scottish Enterprise and Highlands and Islands Enterprise now provide support similar to the type previously given under the Regional Innovation Grant Scheme to small companies throughout Scotland. (In Lowland Scotland, this support is delivered through the network of local enterprise companies).

33. In Wales, the Regional Innovation Grant Scheme was brigaded in January 1997 with SMART, SPUR and SPUR Plus under the SMART Wales banner. It continues to be offered as a discrete Scheme and was extended to the whole of Wales from 28 August 1997. Payments of £1.88 million were made in 2001/2002 and offers of assistance totalling £2.31 million were made.

Regional Investment Grants

34. Regional Investment Grants (RIG) in Scotland and Wales closed on 31 January 1997 and merged with RSA.

35. In England, RIG was suspended on 13 September 1996. It was then integrated into the RSA Scheme on 1 April 1997, with continuing provision for those coal closure areas which were outside the Assisted Areas in the East and West Midlands. The Scheme offered fixed grants to smaller firms proposing new capital investment. The total expenditure in 2001/2002 was £18,922.

Enterprise Fund

36. The Enterprise Fund was established following the publication of the Competitiveness White Paper (CM 4176) in December 1998, to ensure that entrepreneurs have access to appropriate forms of finance. The £180 million fund was created to provide both debt and equity finance to UK SMEs with growth potential. The budget will provide flexible support for innovative proposals from the finance industry that meet particular SME financing needs. The main elements of assistance are:

Small Firms Loan Guarantee Scheme

37. The Scheme offers guarantees on loans to small firms with viable business proposals, which are unable to obtain conventional finance because they lack security to offer against a loan. By providing a guarantee against default, the Scheme encourages lenders to lend where they would not otherwise do so.

38. Loans over periods of between 2 and 10 years are provided by participating banks and other financial institutions, who take responsibility for commercial decisions affecting borrowers. For established businesses that have been trading for 2 years or more at the time of application, the DTI provides an 85% guarantee on loans of up to £250,000. For other businesses, including start-ups, the guarantee is 70% on loans of up to £100,000. In return for the guarantee, the borrower pays a premium to the DTI. For loans with a fixed rate of interest the premium is 0.5% a year on the outstanding loan amount, while for loans with a variable rate of interest the premium is 1.5%.

39. Loans of up to £30,000 from some of the approved lenders are subject to simplified administrative procedures, which enable the lender to approve applications without first referring them to the DTI, thus speeding up the lending decision.

40. Temporary measures were introduced in April 2001 to help businesses adversely affected as a result of the foot and mouth outbreak and remain in place until 30 June 2002. Sectors that are normally excluded from the Scheme were re-introduced. Maximum loan term and capital repayment holiday were increased to allow businesses additional time to repay their loan or a break from making capital payments.

41. Since the start of the Scheme in June 1981, 79,988 loans valued at £3.02 billion have been guaranteed. The following tables give a breakdown of guarantees issued since 1981 and in the financial year 2001/2002:

Table 4

| Guarantees Issued from Inception in June 1981 to 31 March 2002 by Country/Region. | | |
|---|---------------|------------------|
| Country/Region | Number | Value (£'000) |
| Scotland | 3,370 | 108,626 |
| Wales | 4,023 | 133,793 |
| Northern Ireland | 748 | 40,994 |
| East Midlands and East | 10,263 | 397,331 |
| London and South East | 24,326 | 950,099 |
| North East | 3,370 | 108,626 |
| North West | 7,901 | 281,218 |
| South West | 10,049 | 344,540 |
| West Midlands | 6,993 | 244,663 |
| Yorkshire and the Humber | 6,084 | 216,049 |
| Total | 79,988 | 3,020,414 |

Table 5

| Guarantees Issued from 1 April 2001 to 31 March 2002 by Country/Region | | |
|--|--------------|----------------|
| Country / Region | Number | Value (£'000) |
| Scotland | 698 | 44,164 |
| Wales | 211 | 9,668 |
| Northern Ireland | 37 | 3,872 |
| East | 397 | 26,017 |
| East Midlands | 373 | 20,359 |
| London | 312 | 21,997 |
| North East | 126 | 5,627 |
| North West | 451 | 25,651 |
| South East | 517 | 33,058 |
| South West | 444 | 25,090 |
| West Midlands | 369 | 20,589 |
| Yorkshire and the Humber | 334 | 18,599 |
| Total | 4,269 | 254,690 |

UK High Technology Fund

42. The UK High Technology Fund (launched in 1999 as a “fund of funds” to invest in specialist technology venture capital funds) has now committed over £114 million of the £126.1 million raised to 8 specialist venture capital funds. Of this, almost £35 million has been used for investments in 69 early stage technology focussed SME companies, working in areas such as bio-sciences, internet technologies, pharmaceuticals and software.

Regional Venture Capital Funds

43. The Regional Venture Capital Funds specialise in the provision of small-scale (sub £500,000) equity to SME companies with growth potential. State Aid clearance of the programme was received from the European Commission on 6 June 2001. Two of the funds have now launched and the other 7 will become operational during 2002. These funds will be run by experienced venture capital professionals and will generate commercial returns to their investors.

Business Incubation Fund

44. The £75 million Business Incubation Fund, which operates in England only, opened for business on 1 October 2001 following its announcement in the White Paper on Enterprise, Skills and Innovation.

45. It is a loan fund aimed at developers of business incubators to help those starting up in business and early stage SMEs survive and grow.

46. No financial commitments had been made from the Fund as at 31 March 2002. The Fund is open for loan applications until the end of the financial year 2004/2005.

Atlantic Telecom

47. The general powers of section 8 permit assistance to be offered to individual businesses outside the framework of formal schemes. In November 2001, the DTI and the Scottish Executive made available a rescue package of up to £550,000 to maintain Atlantic Telecom’s fixed wireless network for sufficient time to allow customers to switch to an alternative supplier and to prevent disruption to the activities and income of Atlantic’s 2,000 business customers.

The British Film Commission

48. The British Film Commission was launched on 12 May 1991. Its aims are to actively encourage overseas film and television producers to make use of UK studios, locations, post-production facilities and creative and technical personnel. In addition, it helps to co-ordinate the work of other national, area and local commissions, so as to help make available a comprehensive information service to producers enquiring about locations, facilities etc.

49. Responsibility for the Commission was assumed by the Department for Culture, Media and Sport with effect from 1 May 1992. However, the British Film Commission became part of the new Film Council on 1 April 2000, although it has retained its own identity and operating style. The Film Council provided the British Film Commission with £1 million of funding in 2001/2002 and has agreed to provide the same for 2002/2003.

50. During the calendar year 2000, the British Film Commission saw inward investment of film and television production exceed £539 million, a record for the UK up 33% on 1999 and 822% on 1992 levels. This dropped in 2001 to £230 million, primarily due to the threat of the possible lengthy strike action by the Screen Actors Guild in the US earlier in the year. Although there was a downturn overall, 89 productions (with budgets per production in excess of £0.5 million) were shot in the UK throughout the year. Of these, 39 were productions from overseas bringing inward investment, including films such as *The Hours*, *Below*, *Gosford Park*, *Spy Game*, *Spider* and *Harry Potter and the Chamber of Secrets*.

Rover Task Force

51. Elements of the support package to address the potential loss of the Rover car plant in Birmingham were provided under section 8. (See Assistance Under Section 11 for detail.)

Shipbuilding Intervention Fund

52. Aid to shipbuilding within the European Union (EU) is regulated by the EU Shipbuilding Regulation. Under the Regulation, operating aid, paid in the UK through the Shipbuilding Intervention Fund (SIF), expired on 31 December 2000, i.e. no offers could be made for contracts between shipyards and owners signed after that date. The Regulation is permissive and Member States were allowed to provide support up to the ceiling set by the Commission. For the year 2000 this was set at 9% of new building costs for ships with a contract value of Euros 10 million or more, and 4.5% for new builds costing less than that amount and for conversions. The UK offered support up to those maximum permitted levels for new building contracts and up to a ceiling of 2.25% for conversions (grants were not available for ships costing less than £1 million).

53. During 2001/2002, grant instalments which in aggregate totalled £5.6 million were paid in respect of orders for 18 vessels. Three new grants with an aggregate value of £1.4 million were awarded for contracts which have subsequently progressed. Total grants awarded from the inception of the SIF in February 1977 to 31 March 2002, amounted to £564 million and orders totalled 480 ships. (For the year 2001/2002, the DTI continued to process residual applications for contracts between owners and shipyards which had been signed prior to 1 January 2001.)

Exchange Risk Guarantee Scheme

54. The Exchange Risk Guarantee Scheme (ERGS) was introduced in January 1978 under sections 7 and 8 of the Act. It was designed to encourage manufacturing industry and certain service sectors qualifying for RSA in the Assisted Areas and Northern Ireland, to take advantage of attractive foreign currency loans available from the European Investment Bank and the European Coal and Steel Community (ECSC). Such loans were at lower interest rates than sterling loans, by providing a guarantee against the exchange risk. Liability was in sterling. In return for an annual premium, the Government accepted the exchange risk on the outstanding loan.

55. Since 1985, ERGS cover had been available only on the first £500,000 of an ECSC loan. On 25 October 1993, the Scheme was closed to new applications in respect of new global loans negotiated between the UK financial intermediaries and the European Commission.

56. The Scheme closed for new applications for loans on 28 March 1997. As at 31 March 2000, ECSC loans totalling £1.1 billion had attracted exchange risk cover. Its cumulative losses amounted to £278 million at 31 March 2000. ERGS liabilities ended in March 2000, and all loans were repaid by 31 December 2001.

Phoenix Fund

57. The Phoenix Fund was established to encourage entrepreneurship in disadvantaged areas and within disadvantaged groups. Such disadvantaged communities often experience a shortage of jobs and relevant services. By encouraging entrepreneurship, the fund helps to overcome these shortages and promotes social inclusion.

The Phoenix Fund currently comprises:

- the Business Volunteer Mentoring Association (see Assistance Under Section 11);
- the Phoenix Development Fund (see Assistance Under Section 11);
- support for Community Development Finance Institutions (Challenge Fund and Loan Guarantees); and
- the Community Development Venture Fund.

58. Support for Community Development Finance Institutions and the Community Development Venture Fund have section 8 as their statutory basis.

Support for Community Development Finance Institutions (CDFIs)

59. The aim of this programme is to support CDFIs in their role as intermediaries that serve to improve the availability of business finance to start-up SMEs operating within disadvantaged communities, especially those unable to offer the security generally required by commercial lenders. The Loan Guarantee element is available throughout the UK, while the Challenge Fund, which offers Capital and Revenue Grants, only operates in England as the Devolved Administrations have received separate allocations for appropriate activity.

60. Funding for CDFIs is made available on the basis of competitive bidding rounds. A first round of bidding during 2000/2001 identified 16 organisations to which almost £6 million of support was offered, with draw down beginning during 2001/2002. A second round during 2001/2002 identified a further 32 projects valued at almost £14 million as being worthy of support, and in all cases at least "in principle" offers were made by 31 March 2002. Draw down of funding will begin in 2002/2003.

Community Development Venture Fund (CDVF)

61. The establishment of a Community Development Venture Fund (CDVF) was one of the recommendations made by the Social Investment Task Force to the Chancellor of the Exchequer in its report of October 2000. In the Pre-Budget Report of November 2000, the Chancellor announced that the Government would work with the Venture Capital community to set up the CDVF.

62. Development of the CDVF concept continued throughout 2001/2002, with a commitment by the Government to invest up to £20 million on a pound for pound basis with the private sector, but with the Government contribution partially subordinated and the Government's potential return on investment capped, both as incentives to encourage private sector investment. The CDVF will operate in the 25% most disadvantaged wards in England and will be delivered by a commercial fund management company, Bridges Community Ventures. The CDVF will make its first investments in 2002/2003.

UK Coal Operating Aid Scheme

63. The UK Coal Operating Aid Scheme was announced on 17 April 2000, to assist UK coal production units with a viable future without aid through a difficult transitional period, arising from the low world coal price in 1999/2000 and the restructuring of the UK energy markets. The Scheme was approved by the European Commission under the terms of the European Coal and Steel Community (ECSC) Treaty and the Coal State Aid Code and expired with the Treaty on 23 July 2002. Under the Industrial Development Act 1982, Parliamentary approval is required for payments in excess of £10 million to individual companies. Approval was given by Parliament on 22 November 2000 by affirmative resolution, allowing sums exceeding £10 million to be paid to each of Hatfield Coal Company Ltd, Mining (Scotland) Ltd and RJB Mining Plc (now UK Coal Plc), in respect of qualifying production units in their ownership.

64. In the period 1 April 2001 to 31 March 2002, a total of £61,587,400 was paid out to 13 companies which applied for aid in respect of one or more of their production units, after approval of each application by the Commission.

These were:

Table 6

| Company | Value (£'000) |
|--|-----------------|
| Anthracite Mining Ltd (Aberpergwm Colliery) | 1,031 |
| HJ Banks & Co Ltd (Central Surface Mines) | 666.1 |
| HJ Banks & Co Ltd (North East Surface Mines) | 703.2 |
| Betws Anthracite Ltd (Betws Colliery) | 2,836.2 |
| Blenkinsopp Collieries | 1,168 |
| Celtic Energy Ltd (East Pit Extension) | 2,977.5 |
| Coalpower Ltd (Hatfield Colliery) | 951.75 |
| Ffynonau Duon Mines Ltd (Blaentillery No 2) | 329.8 |
| Hatfield Coal Co.(Hatfield Colliery) | 2,855.25 |
| J Flack and Sons Ltd (Hay Royds Colliery) | 342.9 |
| Mining Scotland Ltd (Longannet) | 23,715 |
| Moorside Mining Ltd (Eckington Colliery) | 374.2 |
| Tower Colliery | 3,317 |
| UK Coal Plc (Selby Complex) | 20,324.5 |
| Total | 61,587.4 |

These payments were made to cover operating losses incurred in the second tranche period of the Scheme (1 January – 31 December 2001).

Payments To Redundant Steelworkers (known as New ISERBS)

65. The scheme was announced in May 2001 as part of a package of measures designed to alleviate the impact of large scale redundancies in the steel industry. New ISERBS (Iron and Steel Employees Re-adaptation Benefit Scheme) provides a single lump sum payment of £2,480 to redundant steel workers to help them to overcome the initial impact of redundancy. The scheme is derived from the European Coal and Steel Community (ECSC) Treaty which at article 56 specifically provides for social aid to workers affected by restructuring in the industry. The European Commission provides 50% of the payment to workers whose jobs were connected with the production of products covered by the Treaty. This contribution is drawn from ECSC funds accumulated from a levy on European steel producers. Payments to workers whose jobs were connected with the production of certain primary products not covered by the Treaty do not attract a Commission contribution.

66. Eligibility criteria for the payments are derived from a 1989 bilateral convention between the European Commission and the UK Government. Under this convention, measures to assist steelworkers under article 56 of the Treaty may be put into operation from 1 January of the year preceding that in which the application for Commission funding is made. This allowed payments to be made to steel workers made redundant since 1 January 2000.

67. The payments started in October 2001 and, by 31 March 2002, 8,137 eligible workers had been paid at a cost of £20,179,760 plus administrative fees to the contractor engaged to make the payments.

Wales Trade International Trade Promotion Schemes

68. These short term schemes were introduced with money made available through the Pathway to Prosperity funding from the Welsh Assembly Government. A contractor on behalf of Wales Trade International delivered the programmes. The aim of the schemes was to encourage Wales-based SMEs to export for the first time or to look at new markets. During 2001/2002, total funding for the 4 schemes was £516,130. Since the schemes were introduced in January 2001, £557,596 has been spent.

(a) Sector Trade Missions

69. The Wales-based companies which participated on the sector trade missions received 50% towards their travel and accommodation costs. Five sector trade missions were arranged during the period 1 April 2001 to 31 March 2002. They were:- Hanover, Germany (Engineering), Amsterdam, The Netherlands (Environment), Cologne, Germany (Food & Drink), Singapore (ICT), and Dubai, UAE (Environment). The cost of these events totalled £93,158.

(b) Mini Sector Trade Missions

70. The mini sector trade missions were targeted at first time exporters and provided 50% funding towards travel and accommodation. Six mini trade missions were arranged during the period, they were:- South Africa (Automotive), Germany (Engineering), The Netherlands (Electronics), USA (IT), Czech Republic (Heritage), and Dubai, UAE (ICT). The cost of the events totalled some £104,649.

(c) Trade Fair Pavilions

71. Wales Trade International organised Pavilions at 6 trade fairs during the period. The Wales-based companies who exhibited received 50% of their travel, accommodation and stand space. The trade fairs exhibited at were Medica, Germany (Healthcare), Frankfurt Book Fair, Germany, Mipcom, France (Creative Industries), IWWE, Ireland (Environment), Showcase Ireland (Giftware), and Milia, France (Creative Industries). The cost of participation at these events was £119,584.

(d) Trade Fair Grant Scheme

72. The scheme was introduced to encourage more Wales-based companies to exhibit at international trade fairs overseas. Successful applicants received up to 50% of their travel and accommodation costs, paid in retrospect. During the period 313 grants were issued to 199 Welsh companies totalling £198,739.

Assistance Under Section 11

Small Business Service

73. The Agency formally came into being on 3 April 2000 and was set up to:

- provide a strong voice for small business at the heart of Government;
- to improve the quality and coherence of support for small businesses; and
- to help small firms on regulation.

74. The Small Business Service (SBS) offers help to a wide range of customers, from those wishing to become self-employed or start up their own business, to existing employers with up to 250 staff. It acts as a one-stop shop providing people with easy access to the range of services directed primarily towards small businesses. The SBS also has responsibility for the Business Link network to ensure the best support for small firms. The Business Link network will help the SBS achieve its mission to build an enterprise society, in which small firms of all kinds thrive and achieve their potential.

75. Working with the Business Link network, the SBS provides information or advice, or access to experts, on just about everything needed to run a business, including business planning, finance, management, exporting, quality, employment issues, training and development, innovation, design, regulation, ICT and e-commerce. It also runs national services to help small firms e.g. Small Firms Loan Guarantee Scheme (see Assistance Under Section 8), Smart grants for technology exploitation and on management best practice, as well as, from 1 April 2002, the Enterprise Grant Scheme (see Assistance Under Section 8). Business Link operators can be reached via a central telephone number – 0845 600 9006 – that puts people in touch with their local office.

76. To find out more about the SBS and Business Links, visit the websites on **www.businesslink.org** and **www.sbs.gov.uk**.

Business Improvement Services

77. The Small Business Service's Business Services Directorate provides, through a number of business intermediaries such as Business Link operators, a range of activities designed to help small businesses define and improve their competitiveness by learning about and adopting best practice in key management topics and the use of technology in areas such as e-commerce. These best practise activities are designed to stimulate the small business, by helping them to identify and address their specific weaknesses and provide help in taking the 'next steps' either through networking, benchmarking or visiting exemplar companies.

78. The three centrally administered core services are:

- (a) **CONNECT** – a series of internationally award winning best practice awareness programmes available on interactive CD-ROMs, covering a wide range of business functions from business excellence, people management to customer service, supply chain management and e-commerce (www.connectbestpractice.com).
- (b) **Benchmark Index** – a facilitated benchmarking service designed to offer small businesses the opportunity to compare themselves against others in key areas such as finance and operations, business excellence, marketing and manufacturing etc. (www.benchmarkindex.com).
- (c) **Inside UK Enterprise** – a business-to-business company visiting programme, offering a choice of over 200 hosts – each experienced in implementing and operating one or more aspects of best practice (www.iuke.co.uk).

79. All three services have reported significant impact over the last year. Recent surveys have shown that:

- SMEs that have seen a CONNECT programme went on to reduce their costs on average by £237,000 and increase their turnover on average by £269,000;
- SMEs that have used the Benchmark Index have on average increased their productivity by 38% and have achieved savings on average of £75,000; and
- on Inside UK Enterprise, for the £1 million subvention from Government, companies report savings of £11 million.

Business Link Operators

80. The new Business Link Operators were selected through a rigorous bidding process, with strong small business representation on regional and national assessment panels. Successful bidders included partnerships of new and existing stakeholders, as well as 3 new operators. The network has been streamlined from 81 to 45 Business Links. To support the Business Link network, 9 Regional Managers and their teams have been recruited.

81. The plans and contracts of Business Links have been developed based on an active 'Brokerage Model', aimed at focusing resources on front line customer service and making best use of the expertise of all local stakeholders.

National Federation of Enterprise Agencies

82. The National Federation of Enterprise Agencies (NFEA) was set up in 1993 to provide an independent voice for Local Enterprise Agencies, and to initiate national frameworks and standards for its members in the provision of services to pre-start, start-up and growing micro-businesses. The NFEA website is: www.nfea.com.

The Expert Help Programme: Scotland

83. The Expert Help Programme was introduced in 1995. The aim of the programme is to encourage managers of SMEs to use outside experts, when considering the strategic direction of their businesses or tackling technical problems. It provides free advice on technical issues from Innovation and Technology Counsellors and financial support towards the cost of more detailed advice and assistance. On 1 October 1998, responsibility for delivering the Expert Help Programme was transferred to Scottish Enterprise and Highlands and Islands Enterprise. Along with this transfer, the name of the Programme changed to Expert Help II.

Phoenix Fund

84. This section relates to the Phoenix Development Fund and the Business Volunteer Mentoring Association elements of the Phoenix Fund. A general description of the Phoenix Fund can be found earlier in this Report (see Assistance Under Section 8).

Phoenix Development Fund (PDF)

85. This programme was designed to encourage innovative ideas to promote and support enterprise in disadvantaged areas and amongst groups of people currently under-represented in terms of business ownership. Its purpose is to encourage experimentation, the evaluation of new ideas and the identification and spread of best practice in an area where there is currently too little knowledge. It aims to do this by funding innovative new projects to conduct demonstrator projects from which lessons can be learnt as to the best ways of providing business support to the socially excluded. The PDF only operates in England as the Devolved Administrations have received separate allocations for appropriate activity. There have been 2 competitive bidding rounds for the PDF. The first round was run in the autumn of 2000 and 50 projects were successful, amounting to £14.5 million of support. The second round was run in the spring of 2001 and had 46 successful projects, amounting to £14.7 million of support. The £30 million of support will fund projects up to March 2004.

Business Volunteer Mentoring Association

86. The Business Volunteer Mentoring Association (BVMA) is a network of volunteer mentors to pre- and early- start-up businesses. During 2001/2002, £833,000 was provided for the BVMA Initiative aimed at providing mentoring support to pre- and early- start-up businesses from a force of volunteer mentors.

Rover Task Force

87. In the light of uncertainty around the future of the Rover car manufacturing plant in Birmingham, and the significant impact any closure of the plant would have on the West Midlands' economy, the DTI established a Task Force, led by the then Secretary of State for Trade and Industry, the Rt Hon Stephen Byers MP, to look at how both the region's automotive supply chain could be supported, and how the region's manufacturing base could be helped to modernise and diversify.

88. The Task Force published two reports, an Interim and Final during 2000. The Interim Report was designed to provide a quick response to the crisis, with the Final Report providing a longer term look at how the West Midlands manufacturing sector could be helped.

89. The Interim Report recommended a range of support to Automotive Component Suppliers in the region. It widened the scope and enhanced the existing Accelerate Programme, an automotive industry driven initiative, and also extended the E-Business for Competition Advantage scheme, which had been over subscribed. Support under the Interim Report was limited to the financial year 2001/2002 and total expenditure was £1.471 million.

90. The Final Report identified a strategy to support the diversification and regeneration of the region's economy and build on the support provided in the Interim Report to modernise the Automotive base. In total £31.337 million has been made available for a variety of initiatives over a four year period ending in March 2005.

91. The various initiatives in the main provide advice and consultancy support to the region's SMEs but also include elements of capital grant and access to finance to help implement recommendations and action plans. These elements are provided under sections 7 and 8 of the Industrial Development Act 1982.

92. Expenditure during 2001/2002 for activities from the Final Report was £1.35 million.

Assistance Under Section 13

Improvement of Basic Services

93. Section 13 provides grant where adequate provision has not been made for the needs of any Assisted Area in respect of a basic service. Basic service means the provision of facilities for transport (whether by road, rail, water or air), or of power, lighting, heating, water, sewerage, sewerage disposal, or any service or facility on which the development of the area in question and in particular of industrial undertakings therein, depends.

94. During the year, 8 applications were received and 10 were brought forward from 2000/2001, for grant towards improvement of basic services in the Assisted Areas. During 2001/2002, grants totalling £828,242 were approved towards 10 schemes with estimated costs of £14.7 million. Further details are at **Appendix 4**.

Assistance Under Part III Of The Industry Act 1972

The Home Shipbuilding Credit Guarantee Scheme

95. The Home Shipbuilding Credit Guarantee Scheme guarantees loans provided by commercial banks for the building, completion or alteration of ships, and mobile offshore installations. It allows banks to provide shipowners with loans at a fixed rate of 7.5% over 8.5 years, or Commercial Interest Reference Rates for individual borrowing beyond 8.5 years to 12 years. Loans may be made in US dollars and Euros as well as pounds sterling, or a combination of these currencies. Guarantees can be made in support of floating rate loans with interest charged at the London Inter Bank Offered Rate (LIBOR). The Scheme is based on OECD understanding and is subject to review in light of the 1994 OECD Shipbuilding Agreement.

96. In the year to 31 March 2002 payments of interest equalisation from the banks totalled £1.1 million net (previous year, £0.8 million from the banks). These were made to the DTI under the authority of the Industry Act 1975 (section 25).

97. The Statement of Guarantees for the year to 31 March 2002 is as follows (2001 figures in brackets):

| | Number of Guarantees | Amount of Principal Guaranteed (£) |
|--|----------------------|------------------------------------|
| Guarantees offered in 2001/2002 ⁶ | 1 (4) | 17,143,000 (16,532,000) |
| Repayments in year 2001/2002 ⁷ | 14 (7) | 72,807,000 (25,853,000) |
| Guarantees current on 31 March 2002 ⁸ | 44 (57) | 133,892,000 (189,556,000) |

Commentary on Scotland, Wales, and the English Regions

Scotland

Government Assistance

98. During 2001, the Scottish Executive commissioned an external review of Regional Selective Assistance (RSA) to ensure that in the light of globalisation, the downturn in inward investment and the growth of the knowledge economy, the scheme continued to play its full part in the Executive's commitment to providing jobs for all and to tackling regional imbalances. It was also important to ensure synergy with the Executive's policy agenda. The review was chaired by Gavin Masterton, then Treasurer and Managing Director of the Bank of Scotland and included representatives from industry, Scottish Enterprise and the Executive.

99. The Minister for Enterprise, Transport & Lifelong Learning accepted its key recommendations. These included the overall conclusion that RSA was a worthwhile and necessary scheme but that it needed some change in emphasis, specifically in relation to support for Scottish firms. The scheme was being re-shaped to deliver more focus on growing Scottish firms, to encourage quality projects, and to provide a simpler and quicker application process for smaller grants. The full text of the review group's report and the Minister's response is available on the Scottish Executive website at www.scotland.gov.uk/who/eld/rsa.asp.

100. During 2001/2002, 86 applications for mainstream RSA were received and 68 offers accepted to the total value of £57.86 million. These offers were associated with £344 million capital investment and were forecast to create 5,767 new jobs and safeguard 3,683 jobs, at an average cost per job of £6,123. These figures compared to 76 applications received in 2000/2001, with 116 offers accepted to a value of £104.7 million, towards capital investment of £518.84 million, and the creation of 9,639 new jobs and 5,563 safeguarded jobs.

⁶ Figures are inclusive of guarantees offered but not yet accepted.

⁷ The number of guarantees equals the number of loans finally repaid during the year plus lapsed offers. The amount of principal represents the sum of all payments made during the year, including those on loans finally repaid plus principal on lapsed offers.

⁸ Figures are inclusive of guarantees offered but not yet accepted.

101. The Invest for Growth Scheme is a streamlined version of RSA and operates within the same legislative framework as, and complements, mainstream RSA. It has a simpler application process and faster turnaround times when grant is £100,000 or less. Applications increased by 10% during the year. A total of 91 offers were accepted and the value of these was £4.6 million, associated with planned expenditure of around £23.5 million. 98% of applications received were from indigenous companies.

Report by the Chairman of the Scottish Industrial Development Advisory Board.

102. The Scottish Industrial Development Advisory Board was set up under section 20 of the Scottish Development Agency Act 1975, to advise on applications for RSA where the level of assistance is in excess of £250,000. (A full list of Board members can be found at **Appendix 5**.)

103. During the year the Board met on 12 occasions and dealt with 42 applications. The Board recommended that RSA of almost £58 million be offered. This was associated with planned expenditure of over £360 million and the creation and safeguarding of almost 8,000 jobs. The average cost per job for these projects was £7,250.

104. I would like to record my pleasure at being invited to serve as Chairman, following the retirement of my predecessor Ian Good who had served first as a member and then as Chairman of the Board, since 1989. Ian was an outstanding Chairman and his commitment and his contribution to the work of the Board was greatly valued. Ian Bankier, Margaret Seymour and Professor Jim Murray all retired during the year and I would like to express my appreciation for the valuable contributions they made. I am pleased to announce that Peter Timms and Jim McColl have been reappointed for a 3 year period.

VIKRAM LALL
Chairman

Wales

Government Assistance

105. During the year, 290 applications for RSA were received and 235 offers accepted to the total value of £109.4 million. These projects were associated with £430 million capital investment, and were forecast to create 7,715 new jobs and safeguard a further 4,013 jobs, at an average cost per job of £9,329. These figures compared to 200 applications in 2000/2001, with 152 offers accepted to the value of £97.6 million and the creation of 8,018 jobs and the safeguarding of 3,488, at an average cost per job of £8,483.

106. 104 applications for Regional Innovation Grants (RIN) were received in the year under the SMART Wales banner, and 103 offers of assistance (totalling £2.31 million) were made.

Report by the Chairman of the Welsh Industrial Development Advisory Board

107. The Welsh Industrial Development Advisory Board was set up under section 13 of the Welsh Development Agency Act 1975, to advise on applications for RSA in the country. (A full list of Board members can be found at **Appendix 5**.)

108. The Board met on 15 occasions and advised on 58 applications for grant, 1 of which was rejected. The Board recommended that over £129 million RSA be offered, involving the creation of 6,767 new jobs and the safeguarding of 3,789 jobs at an average cost per job of £12,228.

109. The Board noted the increased flow of good quality investment projects during the year, particularly the innovative, knowledge-based companies needed to reinforce Wales as a centre of excellence in the rapidly expanding digital media field. The Board continued to support the National Assembly's economic strategy to diversify the Welsh industrial structure, through fostering high growth sectors, encouraging entrepreneurship, innovation and higher skills.

110. During 2001/2002 the operation of the Board was subject to an independent review in accordance with National Assembly guidelines. The review highlighted that the Board's advice was highly regarded by Ministers and that the Board ensured that applications were given a thorough appraisal by impartial but commercially experienced Board Members. This was in the interests of good value for money for the public funds concerned, and the Welsh economy generally.

111. During the year, Jim Hancock resigned due to pressure of work commitments. The Board wishes to take this opportunity to record its thanks for his valuable contributions during his period of office.

SHEILA DRURY OBE
Chairman

The English Regions

Industrial Development Advisory Board and the Regional Industrial Development Boards

112. The Industrial Development Advisory Board (IDAB) is appointed under section 10 of the Industrial Development Act 1982, to advise the Secretary of State on the exercise of his/her functions under sections 7 and 8 of that Act. The main work of the Board is to advise on individual applications for Regional Selective Assistance (RSA), in the Assisted Areas in England, where the grant sought is over £2 million.

113. There are 7 non-statutory Regional Industrial Development Boards (RIDBs), which have been set up in the English Regions to advise on applications for RSA between £250,000 and £1.99 million, except the East of England RIDB, which advises on applications between £100,000 and £1.99 million.

114. A full list of all Board members can be found at **Appendix 5**.

115. On 2 April 2002, responsibility for RSA grants below £2 million transferred from the Government Offices in the English Regions to the Regional Development Agencies.

Industrial Development Advisory Board

Report by the Chairman of the Industrial Development Advisory Board

116. During the year, 10 meetings were held to examine and discuss 11 RSA applications of over £2 million under section 7 of the Act. The Board found that 8 cases met the relevant criteria for assistance and recommended to Ministers that they should be supported. The Board was pleased to note that, as at 31 March 2002, all the projects were expected to proceed or were under consideration by the applicant company, involving the creation of 1,988 new jobs, the safeguarding of 1,737 existing jobs, and capital investment of £453.18 million. The total RSA offered was £35.9 million, at an average cost per job of £9,638. The Board found quality features in all the projects it considered, with many of them involving the creation of high skilled sustainable employment, and with considerable R&D and training elements.

117. In addition to the consideration of RSA applications, the Board discussed the future role and priorities of the DTI in the context of the DTI reviews. The Board also discussed the contribution of RSA to the core DTI objective of driving up productivity. The Board received presentations on the impact of RSA, following an evaluation of RSA offers made between 1991 and 1995, and a review of the large RSA projects considered by the Board between 1995 and 2000. The Board found both useful insights into the effects of the RSA Scheme.

118. John Robinson retired from the Board during the year and the Board wishes to thank him for his valuable contribution to the Board's activities.

SIR VICTOR BLANK
Chairman

East of England

Government Assistance

119. During 2001/2002, 11 applications for RSA were received and 7 offers accepted to the total value of £2.875 million. The offers that were accepted were associated with £21.1 million capital investment, and were forecast to create 255 jobs and safeguard 356 jobs, at an average cost per job of £4,705. These figures compared to 11 applications in 2000/2001, with 8 grant offers accepted to the value of £1.97 million towards capital investment of £13.15 million and the creation of 290 jobs and the safeguarding of 221, at an average cost per job of £3,853.

120. During 2001/2002, 10 offers of Enterprise Grant were accepted providing funding of £395,147 towards capital investment of £3.17 million. This compared to 9 offers providing funding of £310,000 towards capital investment of £2.17 million in 2000/2001.

Report by the Chairman of the East of England Industrial Development Board

121. The East of England Industrial Development Board met 6 times and considered 4 applications for RSA, all of which were approved. The Board supported grant totalling £2.25 million on capital investment of almost £11 million. It was forecasted that 165 jobs would be created and 224.5 safeguarded at an average cost per job of £5,776.

122. Although the East of England region only has 3 local authority areas eligible for RSA, the Board was pleased to note the level of RSA grant-eligible activity in these areas and the high quality of applications presented to us. We were able to support grant applications to all the applicants considered by the Board during the year.

123. I was re-appointed as Chairman in July 2001 for a further two years. We welcomed 3 new members to the Board: Amanda Clack, Fiona Hoskins and Martin Gould. Matthew Clark was re-appointed and Doug Collins retired from the Board after serving three years and we wish to record our thanks for his valuable contributions.

ELAINE ODDIE
Chairman

London

Government Assistance

124. During 2001/2002 there were 11 applications for Regional Selective Assistance and 12 acceptances totalling £3.9 million towards capital expenditure of £49 million. The projects concerned were expected to create 719 new jobs and safeguard 682 jobs, at an average cost per job of £2,827. This compares to 9 applications accepted in 2000/2001 to the value of £1.14 million, towards capital expenditure of £29.9 million and the creation of 182 new jobs and the safeguarding of 199 jobs, at an average cost per job of £2,992.

125. During the year 10 offers for the Enterprise Grant Scheme were accepted to the value of £293,000, towards capital expenditure of £2.92 million. This compares to 11 applications accepted in 2000/2001, to the value of £344,000 towards capital expenditure of £3.03 million.

South East

Government Assistance

126. During the year 5 applications for Regional Selective Assistance were received and 7 offers accepted to the total value of £7.56 million. These projects were associated with £104.8 million capital investment, and were forecast to create 1,094 jobs and safeguard an additional 214 jobs, at an average cost per job of £5,780. These figures compared to 6 applications in 2000/2001, with 24 offers accepted to the value of £2.87 million, towards capital investment of £37.6 million and the creation of 822 jobs and the safeguarding of 342, at an average cost per job of £2,466.

127. During the year 59 applications for the Enterprise Grant Scheme were accepted to the value of £1.65 million, towards capital expenditure of £12.2 million. This compares to 25 applications accepted in 2000/2001 to the value of £830,000, towards capital investment of £6.29 million.

128. The quality of the jobs created and safeguarded by the grants was generally high, a significant number being high technology jobs. In addition medium skill level jobs were also generated which matched the current skill levels of some of the locally available labour force.

Report by the Chairman of the London and South East Industrial Development Board

129. Having been a serving member of the Board since January 2000, I was delighted to accept the invitation to become its chair in January 2002. I would like to thank my predecessor, Christopher Dane, for the staunch work that he did throughout the majority of this reporting year. I should also thank Pamela Edwards, Michael Rhead, Michael Lynch and Roger De Haan for their contributions to the Board before their retirements this year.

130. 2001 proved a difficult year for economies around the world. We were not left unscathed. The combined impact of the events of September 11 and the slowing down of the US economy resulted in a considerable shortfall in project completions. However, Asia Pacific showed signs of recovery in the last quarter of the year and there were some hopeful indications that previously dormant projects from the USA were coming back to life.

131. During the year, the Board held 5 meetings to consider 4 cases in London and 2 cases in the South East for Regional Selective Assistance (RSA). Assistance of £5.9 million was approved, promising to lever capital investment of £68.3 million and safeguard/create 1,603 jobs at an average cost per job of £3,684. Offers were made to three significant inward investment projects, from Norway, the USA and Ireland.

132. The RSA Scheme continued to play an important role in creating jobs for local people within the region, especially in developing derelict and brownfield sites in the national priority area of the Lee Valley and Thames Gateway. London continued to strengthen its position as one of the world's favourite cities with its exciting combination of cultural diversity, intellectual, commercial, financial and artistic leadership. Yet success brings its own challenge and London must continue to reinvent itself if the aspirations of its many residents and daily commuters are to be met. During the year, the London Development Agency (LDA) commissioned a far-reaching review of Inward Investment activity in London, and as a result decided to take in-house Investor Retention. Overseas inward investment promotion is to be put out to tender. Until then London First Centre will continue to promote London, with a revised focus on the LDA's more inclusive agenda. With evidence of the beginnings of an upturn we look forward to an exciting and challenging 2002 during which the L&SE IDB will play its part to ensure that the potential of London and the South East is fully realised.

JOHN MCCREADY
Chairman

North East

Government Assistance

133. During the year 44 applications for Regional Selective Assistance were received with 38 offers accepted totalling £16.5 million. This helped to trigger capital investment of £105.7 million and was forecast to lead to the creation of 2,329 new jobs and the safeguarding of 1,196, at an average cost per job of £4,691. These figures compared to 47 offers accepted in 2000/2001 to the value of £86.4 million, towards capital investment of £1,067.7 million, and the creation of 3,857 new jobs and the safeguarding of 4,355 jobs, at an average cost per job of £10,521.

134. The Enterprise Grant Scheme was also used to stimulate investment and employment amongst SMEs in the region. During the year 120 offers worth a total of £3.78 million were accepted. This triggered capital expenditure of £26.7 million. This compares with 120 accepted offers during 2000/2001 to the value of £3.28 million, towards capital investment of £24.53 million.

Report by the Chairman of the North East Industrial Development Board

135. The North East Industrial Development Board held 8 meetings and considered a total of 12 RSA cases, and supported grant totalling £10.65 million. If all of these offers are accepted they would be associated with capital investment of £77.9 million and involve the creation of 783 jobs and the safeguarding of 651 jobs, at an average cost per job of £7,426.

136. RSA continued to play an important part in the economic development of the North East in line with the Regional Economic Strategy, with two notable successes this year, in Avecia Life Sciences and Circatex.

137. The Enterprise Grant Scheme aimed at small to medium sized firms continued to attract interest with a slight increase in the number of applications received in the previous year. A factor in this increase was the lifting of the "once and for all" ruling which had limited the number of offers a business could receive. It was replaced by a ruling which decreed that an applicant could receive an unlimited number of offers (subject to appraisal) on condition that their cumulative value did not exceed £75,000. The Board was pleased to note this ruling, after its comments in last year's report regarding SME development in the region.

138. During the year one new member was welcomed to the Board: Lucy Winskell. We said farewell to Valda Morris. We were extremely grateful for her assistance during her time on the Board.

RICHARD MAUDSLAY
Chairman

North West

Government Assistance

139. During the year, 66 applications for RSA were received and 49 offers accepted to the value of £16.09 million, towards capital investment of £137.45 million. These projects were expected to create 2,608 jobs and safeguard 2,175 jobs, at an average cost per job of £3,364. These figures compared to 79 applications in 2000/2001, with 81 offers accepted (including offers made in the previous financial year) to the value of £19.98 million, towards capital investment of £157.7 million, and the creation of 3,267 jobs and the safeguarding of 2,056 jobs, at an average cost per job of £3,753.

140. Additionally, 144 applications for the Enterprise Grant Scheme were received, of which 118 were from SMEs. 126 offers were made to the value of £4.5 million towards capital investment of £35.1 million. These figures compared to 185 applications received in 2000/2001, with 93 offers accepted (including offers made in the previous financial year) to a value of £3.1 million towards capital investment of £26.5 million.

Report by the Chairman of the North West Industrial Development Board

141. While the number of cases considered by the Board was lower than in the previous year (18 cases in 2000/2001), the Board met on 10 occasions to consider 14 RSA cases of which 12 were offered assistance. The Board was encouraged by the major new investment projects that came forward, including GBS Europe Ltd, Norton Healthcare Ltd and Lever Faberge Ltd. Of the projects considered, 9 were overseas owned, 2 were in respect of businesses new to the region and 1 was to a non-foreign existing indigenous applicant.

142. If all 12 offers are accepted, a total of £14.29 million RSA will be awarded towards capital investment of £64.29 million. This will involve the creation of 1,554 new jobs and the safeguarding of a further 1,849 jobs, at an average cost per job of £4,199. Four projects will focus on job creation with a further 4 safeguarding existing jobs (creation and safeguarding was an element in 4 others).

143. Projects included the food, pharmaceutical, packaging, chemicals and financial and professional services sectors. There was, like the previous year, a significant representation of projects that involved call centres and service centres, some with a strong ICT dimension. Of the projects supported, 11 were in priority sector areas. The most frequent case for grant support was the international mobility of the project (9 cases). As in previous years, coming to a view about the credibility of such arguments, as well as the appropriateness of the level of grant, were sometimes demanding issues for Board members.

144. During the year the Board used the quality aspects of the scheme to provide appropriate levels of support to secure high quality investment projects. The Board also took full account of the strength of the regional case, particularly where projects were of lower quality. The potential of these projects for offering good prospects of sustainable jobs important to a local area, was once again a material consideration. The Board was kept informed of progress on the Enterprise Grant Scheme and welcomed the continuing high level of applications received from around the region.

145. As part of the programme of discussions on the simplification of RSA procedures and a continuance of the activities held in the latter part of 2000/2001, a small group of members and officials met and provided a range of proposals for the Board which were discussed and implemented as appropriate. The changes helped to improve efficiency of delivery and enabled members to focus on the more important aspects of evaluation.

146. The Board was kept informed during the year of the changes proposed under the DTI Reviews. Members welcomed, in particular, the proposal to streamline the number of schemes of support, the new role of the DTI and the rationale behind the transfer of programmes to other agencies. Members acknowledged the close and productive working relationship with the Government Office and, as a result of the recommendations arising from the DTI Reviews, looked forward to the implementation of the proposals in the forthcoming year and the evolving role with the NWDA.

147. Changes in membership of the Board during the year saw Anil Ruia, OBE, stand down at the end of his term as Chairman. We would like to record our thanks and appreciation for his assistance while in office. A Board member since April 1998, I took up the role of Chair on 1 January 2002.

LORRAINE CLINTON
Chairman

South West

Government and European Assistance

148. During the year, 11 applications for RSA were received and 9 offers accepted to the value of £5.45 million. These projects were associated with £60.4 million capital investment, and were forecast to create 628 jobs and safeguard 189 jobs, at an average cost per job of £6,674. These figures compared to 13 applications in 2000/2001, with 20 offers accepted to the value of £11.2 million, towards capital investment of £72.7 million and the creation of 2,893 jobs and the safeguarding of 594, at an average cost per job of £3,214.

149. The Enterprise Grant Scheme (EGS) encompassed both regional criteria and the South West Development Agency's priority sectors. During the year, 42 applications for EGS were received and 37 offers accepted to the total value of £860,000 associated with £6.8 million capital investment. These figures compared to 33 applications in 2000/2001, with 13 offers accepted to the value of £467,000, towards capital investment of £3.2 million.

150. The total funding from the EU under the Objective 1 programme in Cornwall and the Isles of Scilly amounted to over £300 million which, when taken together with match funding, was worth in the region of £700 million. About a quarter of this budget was aimed at supporting the business economy. Projects to the total value of £297 million had been approved since the programme was launched in September 2000.

151. Additionally, following approval of the Objective 2 Single Programme Document, approximately £108 million was made available and was aimed at economic regeneration, incorporating neighbourhood renewal, SME development, technology and innovation, and support for traditional economies. Since the launch of the programme, some £21 million has been offered in support of projects, of which over £8 million was on SME development.

Report by the Chairman of the South West Industrial Development Board

152. The South West Industrial Development Board met on 5 occasions in the year and supported 7 applications for RSA. The Board considered and supported 5 applications related to projects in the South West, approving a total of £5.36 million RSA, associated with total project costs of £58.4 million and 810 jobs, at an average cost per job of £6,617. The Board considered that all 5 projects were good quality and 3 were particularly high quality as well as being placed in sectors identified for active support by the RDA. Additionally, to overcome a conflict of interest, the Board was pleased to consider and support 2 applications on behalf of the Yorkshire and Humber and the East Midlands Industrial Development Board, approving a total of £1.6 million RSA, associated with total project costs of £8 million and 377 jobs, at an average cost per job of £4,244, providing a unique opportunity to look at regional issues in the East Midlands, particularly in the textile sector.

153. The Board maintained a keen interest in all RSA activity and welcomed the more even distribution of cases across the Tier 1 and Tier 2 areas, allaying earlier concerns about the level of investment in Cornwall. The availability of RSA, Objective 1 funding and support from the RDA had combined to bring forward a number of projects, providing long term benefit to the Cornish economy.

154. The Board noted the emerging trend of higher quality features in the cases being considered, exemplified locally by the X Fab UK Ltd and Silicon Sensing Systems Ltd projects in Plymouth, and by the Tripos Receptor Research project in Bude, Cornwall, which had been supported at national level through the Industrial Development Advisory Board. The Board was pleased to receive progress reports on projects it had recommended for support, which provided the opportunity both to reflect on issues raised and assess the impact of what had been delivered.

155. The Board noted that the Enterprise Grant Scheme continued to generally perform well in the South West but was concerned to note the low take up in Torbay and the Forest of Dean, both areas having suffered from major redundancies. The Board considered that performance of the scheme indicated that it was serving a market need, with benefit to small businesses in a wide range of sectors. Throughout the year the Board was informed regularly on progress with the DTI Review and welcomed the opportunity for debate and contribution to the emerging proposals. The Board viewed positively the transfer of RSA to the RDA and Enterprise Grant Scheme to the Small Business Service from April 2002, which together would provide a more cohesive business support structure and greater synergy with other programmes. The Board was grateful to officials at the Government Office for their professionalism and support over the years and looked forward to the opportunity of working more closely with the RDA.

156. During the year, 4 new members were welcomed to the Board: Ian Douglas, Alan Hayman, Rama Nand-Lal CBE and Terence Slater. In addition, Anke Harris OBE and Eric Newton stood down after 6 years. We wish to record our thanks and appreciation for their assistance while in office.

IAN LOWE
Chairman

West Midlands

Government Assistance

157. During the year, 16 applications for RSA were received and 15 offers accepted to the total value of £12.9 million. These projects were associated with £87.5 million capital investment, and were forecast to create 1,039 jobs and safeguard 618 jobs, at an average cost per job of £7,780. There were 4 offers of grant involving a cost per job of more than £5,000 reflecting the higher quality of the projects supported. These figures compared to 31 applications in 2000/2001, with 43 offers accepted to the value of £41 million, towards capital investment of £372.2 million and the creation of 4,895 jobs and the safeguarding of 1,086 jobs, at an average cost per job of £6,855.

158. During the year, 87 applications for Enterprise Grant were received and 82 offers accepted to the total value of £2.8 million. These projects were associated with £21.3 million capital investment. These figures compared to 104 applications in 2000/2001, with 55 offers accepted to the value of £1.78 million, towards capital investment of £15.1 million. Applications were assessed against the core criteria of the scheme and the Regional Economic Strategy of Advantage West Midlands, the Regional Development Agency.

Report by the Chairman of the West Midlands Industrial Development Board

159. During the year 6 meetings of the West Midlands Industrial Development Board were held and 6 cases considered. These resulted in 6 offers being made to the total value of £7.2 million on projects associated with £66.5 million capital investment, which were forecast to create 476 jobs and safeguard 915 jobs, at an average cost per job of £4,625. Of the offers made, 4 involved a cost per job of more than £5,000 on the basis of the quality benefits they would bring to the regional and national economies.

160. Mr John Hudson completed his tenure as Chairman of the Board on 31 December 2001. Mr John Bloxham also completed his term as a Board member. I am grateful to both for the valuable contribution they provided to the work of the Board.

PAUL SABAPATHY OBE
Chairman

Yorkshire and the Humber

Government Assistance

161. During 2001/2002, a total of 35 (2000/2001 – 53) RSA decisions were made, of which 15 (2000/2001 – 11) requested a grant of over £250,000. A total of 24 (2000/2001 – 48) grant offers were accepted during the period. The overall figures show a marked decline against those of last year mainly due to a downturn in manufacturing activity, exacerbated in the last two quarters by the events of 11 September 2001. This latter event placed particular pressure upon the region's sizeable aerospace industry and its related firms. However, whilst the overall level of applications was down, there was an increased number of larger applications indicating more strategic projects in the region.

162. The value of offers accepted amounted to £8.3 million (2000/2001 – £28.9 million) with related project costs of £77.5 million. (2000/2001 – £300 million). These projects were expected to lead to the creation or safeguarding of 1,465 jobs (2000/2001 – 4,641), with an average cost per job of £5,644. The comparative figures for 2000/2001 were skewed by the acceptance of one particularly large offer.

163. The distribution of assistance across the region shows that 14 (2000/2001 – 33) offers were accepted in South Yorkshire, 7 (2000/2001 – 8) in the Humber region and 3 (2000/2001 – 7) in West Yorkshire. The prominence of South Yorkshire in requests for grant reflects the continued acute need for assistance in the area. This especially applies to the isolated mining communities.

164. A total of 91 (2000/2001 – 179) RSA payments totalling £6.2 million (2000/2001 – £8 million) were made in 2001/2002. Of these, 38 (2000/2001 – 100) were final payments on projects with a total payment value of £3.3 million (2000/2001 – £8.3 million). These projects safeguarded or created 1,149 (2000/2001 – 2,421) jobs. The figures are lower than for 2000/2001 due to the downturn in economic activity and the gradual reduction of small scale RSA, replaced by the Enterprise Grant Scheme in January 2000.

165. The Enterprise Grant Scheme (EGS) has continued to attract high levels of demand in 2001/2002 from SMEs. The year also saw an expansion of the Tier 3 area into Scunthorpe and Scarborough, to offset job losses at Corus and Plaxtons respectively.

166. During 2001/2002, 118 EGS applications were received,(144 in 2000/2001). 81 (2000/2001 – 94) offers of assistance were accepted, with a grant value of £2.3 million (2000/2001 – £2.8 million), and associated project costs of £21.3 million.

167. Arising from these offers, 80 (2000/2001 – 49) payments totalling £1.46 million (2000/2001 – £986,000) were made, including 47 (2000/2001 – 19) successfully completed projects. This shows a marked increase on the previous year, with many of the initial EGS projects being successfully completed.

Inward Investment

168. The year was quieter than recent years in terms of new Inward Investment. The level of enquires and actual investment was down after a record year in 2000/2001. Two significant RSA offers were made to major exciting overseas investors in South Yorkshire, Thule Automotive and Miba Tyzack.

169. The region as a whole attracted 8 new inward investments. These projects led to the creation of almost 500 jobs. A further 10 projects have been planned by existing overseas owned companies which should result in over 2,000 jobs being created or safeguarded.

170. Yorkshire Forward's core inward investment team worked hard with all local partners to attract new investments but there was a lack of large quality projects looking to locate in Europe.

East Midlands

Government Assistance

171. During 2001/2002 a total of 15 applications for RSA were received and 13 offers accepted to a total value of £5.3 million. These projects were associated with £42.6 million of capital investment and were forecast to create 342 jobs and safeguard 805 jobs at an average cost per job of £4,623. These figures compared to 27 applications in 2000/2001, with 24 offers accepted to the value of £11.6 million, towards capital investment of £108 million and the creation of 1,970 jobs and the safeguarding of 514, at an average cost per job of £4,680.

172. Included in these figures were grants to a value of £2.7 million accepted by 3 internationally mobile projects, creating 72 jobs and safeguarding 495 jobs. These figures included a grant offer of £1.3m to US-owned Caterpillar (UK) Ltd supporting total capital investment in excess of £10 million, primarily in Nottingham, with additional investment at their premises in Stockton on Tees, creating and safeguarding a total of 165 jobs in Nottingham.

173. Overall the above figures were lower than for the previous period and reflect a trend towards increased efficiency and the safeguarding of jobs. Difficult trading conditions, following the events of 11 September, resulted in difficulties being experienced by a number of companies in receipt of grant leading to a slowing of investment activity and at least two receiverships.

174. During the year 67 offers of Enterprise Grant were accepted with a total value of £2.2 million, supporting capital investment of £17 million. Industry sectors covered include engineering (31%), textiles (13%) and food (12%). Approximately 85% of those offers accepted were located in the European Regional Development Fund (ERDF) Objective 2 area. These figures compared to 72 offers of grant in 2000/2001 where the total value of grant accepted was £2.3 million supporting capital investment of £17.7 million.

Report by the Chairman of the Yorkshire and the Humber and the East Midlands Industrial Development Board

175. The Board believes that Regional Selective Assistance (RSA) has played a significant role in securing additional capital investment in the region, despite a difficult period in a number of the region's key manufacturing markets, and in creating and safeguarding jobs in the region this year. During the year the Board met on 10 occasions and considered a total of 24 RSA applications. A total of 16 offers were approved in support of projects expected to result in £126.4 million capital expenditure and the creation/safeguarding of 3,350 jobs. The average cost per job was £5,000 on cases considered by the Board.

176. This year, the Board saw a number of members both leave and arrive. John Stradling and Chris Brown retired from the board, having both given 6 years valuable service. Surbjit Nagra also left after taking up a new post outside the region. We wish them well and would like to formally record our appreciation for their past services. Following on from this, 3 new members were appointed in January 2002. These were Zulfi Hussain, Prof Jim Lynch and Mike Sharp. We welcome these appointments and all have made good contributions during their early meetings.

JULIE KENNY
Chairman

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Sections 11 and 15 of the Industrial Development Act 1982

Section 11

1 The Secretary of State may make provision for the giving of advice (whether free of charge or otherwise) to persons carrying on or proposing to carry on a business.

2 Not later than six months after the end of any financial year in which this power is used, the Secretary of State shall prepare and lay before Parliament a report on the exercise during the year of his powers under this section.

3 In the application of this section to a financial year beginning before the commencement of this Act, the reference in sub-section (2) above to the Secretary of State's powers under this section shall include a reference to his powers under section 18 of the Industry Act 1980.

Section 15

1 For each financial year the Secretary of State shall prepare a report on the discharge of his functions:

- (a) under Parts I to III and sections 13 and 14 of this Act;
- (b) under section 67 (1) of the Town and Country Planning Act 1971 and section 65 (1) of the Town and Country Planning (Scotland) Act 1972 (Industrial Development Certificates);
- (c) under Part III of the Industry Act 1972 (including any functions in respect of guarantees given by him under section 7 of the Shipbuilding Industry Act 1967);

and shall lay the report before Parliament not later than six months after the end of the financial year to which it relates.

2 The Secretary of State may discharge his duty under this section in any year by making a report on his functions under Part I, Part II, Part III or sections 13 and 14 of this Act or under the other enactments mentioned in sub-section (1) above and one or more separate reports on the remaining functions.

3 A report under this section relating to Part III of this Act or Part III of the Industry Act 1972 shall contain a statement showing the total amount of the liabilities of the Secretary of State (exclusive of any liability in respect of interest on a principal sum) under guarantees given by him/her under Part III of this Act or Part II of that Act or, as the case may be, under Part III of that Act and in the latter case shall include liabilities under guarantees given under section 7 of the Shipbuilding Industry Act 1967.

4 In the application of this section in relation to a financial year beginning before the commencement of this Act any reference in sub-section (1) above to a provision of this Act shall include a reference to the enactment re-enacted in that provision.

APPENDIX 2

Statistics relating to the Regional Selective Assistance Scheme

TABLE 1 RSA SCHEME – PROJECT GRANTS BY ASSISTED AREAS
 APPLICATIONS RECEIVED 1 APRIL 2001 TO 31 MARCH 2002
 CUMULATIVE APPLICATIONS RECEIVED 1 APRIL 1992 TO 31 MARCH 2002

| Country/Region | Applications Received 1.4.01 to 31.3.02 | | | | | | | | Cumulative Applications Received 1.4.92 to 31.3.02 | | | | | | | |
|-------------------------------------|---|------------------|--------------------------------|------------------|-----------------------|------------------|-------------------------------------|------------------|--|------------------|--------------------------------|------------------|--------------------------------|------------------|-----------------------|------------------|
| | Tier 1 ⁽¹⁾ Areas | | Tier 2 ⁽¹⁾ Areas | | All Assisted Areas | | Development ⁽²⁾ Areas | | Intermediate ⁽²⁾ Areas | | Tier 1 ⁽¹⁾ Areas | | Tier 2 ⁽¹⁾ Areas | | All Assisted Areas | |
| | No. | Value (£'000) | No. | Value (£'000) | No. | Value (£'000) | No. | Value (£'000) | No. | Value (£'000) | No. | Value (£'000) | No. | Value (£'000) | No. | Value (£'000) |
| Great Britain | 270 | 130,322 | 322 | 331,523 | 592 | 461,845 | 8,095 | 3,493,792 | 7,121 | 1,479,852 | 492 | 304,879 | 650 | 730,233 | 16,358 | 6,008,756 |
| Scotland | – | – | 86 | 137,518 | 86 | 137,518 | 2,034 | 1,304,631 | 224 | 144,131 | – | – | 162 | 214,662 | 2,420 | 1,663,424 |
| Wales | 219 | 99,058 | 71 | 55,897 | 290 | 154,955 | 678 | 432,006 | 942 | 396,655 | 375 | 230,769 | 116 | 84,328 | 2,111 | 1,143,758 |
| England | 51 | 31,264 | 165 | 138,108 | 216 | 169,372 | 5,383 | 1,757,155 | 5,955 | 939,066 | 117 | 74,110 | 372 | 431,243 | 11,827 | 3,201,574 |
| East | – | – | 11 | 5,510 | 11 | 5,510 | – | – | 245 | 21,771 | – | – | 22 | 8,478 | 267 | 30,249 |
| East Midlands | – | – | 15 | 13,176 | 15 | 13,176 | 223 | 46,870 | 575 | 62,177 | – | – | 43 | 43,506 | 841 | 152,553 |
| London | – | – | 11 | 5,469 | 11 | 5,469 | – | – | 351 | 43,744 | – | – | 21 | 8,081 | 372 | 51,825 |
| North East | – | – | 44 | 31,881 | 44 | 31,881 | 2,131 | 572,262 | 155 | 59,784 | – | – | 88 | 79,551 | 2,374 | 711,597 |
| North West | 24 | 12,089 | 42 | 51,834 | 66 | 63,923 | 1,454 | 492,862 | 1,520 | 198,438 | 57 | 26,159 | 88 | 128,185 | 3,119 | 845,644 |
| South East | – | – | 5 | 3,037 | 5 | 3,037 | 166 | 28,405 | 364 | 50,889 | – | – | 11 | 6,145 | 541 | 85,439 |
| South West | 8 | 7,292 | 3 | 3,790 | 11 | 11,082 | 185 | 40,660 | 369 | 80,132 | 12 | 8,609 | 13 | 12,711 | 579 | 142,112 |
| West Midlands | – | – | 16 | 15,887 | 16 | 15,887 | 700 | 439,158 | 1,329 | 286,684 | – | – | 47 | 80,334 | 2,076 | 806,176 |
| Yorkshire and the Humber | 19 | 11,883 | 18 | 7,524 | 37 | 19,407 | 524 | 136,938 | 1,047 | 135,447 | 48 | 39,342 | 39 | 64,252 | 1,658 | 375,979 |

⁽¹⁾ Tier 1 and 2 Areas effective from 1 January 2000.

⁽²⁾ Until 31 December 1999, the Assisted Areas were known as Development Areas (DA) and Intermediate Areas (IA).

TABLE 2 RSA SCHEME – PROJECT GRANTS BY ASSISTED AREA
OFFERS ACCEPTED AND PAYMENTS 1 APRIL 2001 TO 31 MARCH 2002
CUMULATIVE OFFERS ACCEPTED AND PAYMENTS 1 APRIL 1992⁽¹⁾ TO 31 MARCH 2002

| Country | Offers Accepted 1.4.01 to 31.3.02 | | | | | | Cumulative Offers Accepted 1.4.92 to 31.3.02 | | | | | |
|----------------------------------|-----------------------------------|------------------|---|---------------------------------------|---------------|---|--|-------------------|---|---------------------------------------|-------------|--|
| | No. | Value (£'000) | Associated Project Costs (£'000) | Forecast Employment ⁽²⁾ | | Payments 1.4.01 to 31.3.02 (£'000) | No. | Value (£'000) | Associated Project Costs (£'000) | Forecast Employment ⁽²⁾ | | Payments 1.4.92 to 31.3.02 ⁽³⁾ (£'000) |
| | | | | New | Safeguarded | | | | | New | Safeguarded | |
| Great Britain: | | | | | | | | | | | | |
| Special Development Area | - | - | - | - | - | - | - | - | - | - | - | 2,408 |
| Development Area ⁽⁴⁾ | - | - | - | - | - | 6,119 | 1,818,144 | 15,249,298 | 201,019 | 77,267 | - | 1,270,294 |
| Intermediate Area ⁽⁴⁾ | - | - | - | - | - | 5,137 | 763,513 | 9,378,884 | 130,732 | 71,937 | - | 547,774 |
| Tier 1 ⁽⁵⁾ | 222 | 102,872 | 397,695 | 7,377 | 5,619 | 395 | 195,256 | 829,234 | 15,703 | 9,363 | - | 106,897 |
| Tier 2 ⁽⁵⁾ | 255 | 143,352 | 1,062,477 | 15,941 | 8,955 | 665 | 445,202 | 3,978,096 | 46,339 | 23,774 | - | 305,898 |
| Total | 477 | 246,224 | 1,460,172 | 23,318 | 14,574 | 12,316 | 3,222,115 | 29,435,512 | 393,793 | 182,341 | - | 2,233,271 |
| Scotland: | | | | | | | | | | | | |
| Special Development Area | - | - | - | - | - | - | - | - | - | - | - | 1,725 |
| Development Area ⁽⁴⁾ | - | - | - | - | - | 1,633 | 860,658 | 7,491,991 | 87,103 | 26,410 | - | 509,155 |
| Intermediate Area ⁽⁴⁾ | - | - | - | - | - | 166 | 65,865 | 526,161 | 6,463 | 6,156 | - | 40,284 |
| Tier 1 ⁽⁵⁾ | - | - | - | - | - | - | - | - | - | - | - | - |
| Tier 2 ⁽⁵⁾ | 68 | 57,867 | 344,072 | 5,767 | 3,683 | 185 | 162,447 | 861,785 | 15,239 | 9,280 | - | 112,390 |
| Total | 68 | 57,867 | 344,072 | 5,767 | 3,683 | 1,984 | 1,088,970 | 8,879,937 | 108,865 | 41,846 | - | 663,554 |
| Wales: | | | | | | | | | | | | |
| Special Development Area | - | - | - | - | - | - | - | - | - | - | - | 603 |
| Development Area ⁽⁴⁾ | - | - | - | - | - | 540 | 283,655 | 1,287,165 | 22,187 | 10,686 | - | 263,669 |
| Intermediate Area ⁽⁴⁾ | - | - | - | - | - | 777 | 296,968 | 4,145,247 | 43,079 | 17,146 | - | 201,289 |
| Tier 1 ⁽⁵⁾ | 185 | 86,934 | 276,000 | 5,462 | 3,862 | 297 | 158,427 | 520,796 | 10,827 | 5,599 | - | 57,409 |
| Tier 2 ⁽⁵⁾ | 50 | 22,483 | 153,977 | 2,253 | 151 | 90 | 46,692 | 652,379 | 4,916 | 1,710 | - | 31,990 |
| Total | 235 | 109,417 | 429,977 | 7,715 | 4,013 | 1,704 | 785,742 | 6,605,587 | 81,009 | 35,141 | - | 554,960 |
| England: | | | | | | | | | | | | |
| Special Development Area | - | - | - | - | - | - | - | - | - | - | - | 80 |
| Development Area ⁽⁴⁾ | - | - | - | - | - | 3,946 | 673,831 | 6,470,142 | 91,729 | 40,171 | - | 497,470 |
| Intermediate Area ⁽⁴⁾ | - | - | - | - | - | 4,194 | 400,680 | 4,707,476 | 81,190 | 48,635 | - | 306,201 |
| Tier 1 ⁽⁵⁾ | 37 | 15,938 | 121,695 | 1,915 | 1,757 | 98 | 36,829 | 308,438 | 4,876 | 3,764 | - | 49,488 |
| Tier 2 ⁽⁵⁾ | 137 | 63,002 | 564,428 | 7,921 | 5,121 | 390 | 236,063 | 2,463,932 | 26,124 | 12,784 | - | 161,518 |
| Total | 174 | 78,940 | 686,123 | 9,836 | 6,878 | 8,628 | 1,347,403 | 13,949,988 | 203,919 | 105,354 | - | 1,014,757 |

⁽¹⁾ Information prior to 1992-93 can be obtained from earlier Annual Reports of the Industrial Development Act.

⁽²⁾ Forecast employment figures are based on company forecasts for the project at the time of the offer.

⁽³⁾ Payments made in period shown; includes payments on prior projects for which offer was accepted in an earlier year.

⁽⁴⁾ Until 31 December 1999, Assisted Areas were known as Development Areas (DA) and Intermediate Areas (IA).

⁽⁵⁾ Tier 1 and 2 Areas effective from 1 January 2000.

TABLE 3 RSA SCHEME – PROJECT GRANTS BY ASSISTED AREAS IN ENGLISH REGIONS
OFFERS ACCEPTED AND PAYMENTS 1 APRIL 2001 TO 31 MARCH 2002
CUMULATIVE OFFERS ACCEPTED AND PAYMENTS 1 APRIL 1992⁽¹⁾ TO 31 MARCH 2002

| Region | Offers Accepted 1.4.01 to 31.3.02 | | | | | | Cumulative Offers Accepted 1.4.92 to 31.3.02 | | | | | |
|----------------------------------|-----------------------------------|---------------|----------------------------------|------------------------------------|-------------|------------------------------------|--|---------------|----------------------------------|------------------------------------|--------|---|
| | No. | Value (£'000) | Associated Project Costs (£'000) | Forecast Employment ⁽²⁾ | | Payments 1.4.01 to 31.3.02 (£'000) | No. | Value (£'000) | Associated Project Costs (£'000) | Forecast Employment ⁽²⁾ | | Payments 1.4.92 to 31.3.02 ⁽³⁾ (£'000) |
| | | | | New | Safeguarded | | | | New | Safeguarded | | |
| East: | | | | | | | | | | | | |
| Intermediate Area ⁽⁴⁾ | – | – | – | – | – | – | 181 | 9,980 | 71,180 | 2,300 | 1,465 | 6,579 |
| Tier 1 ⁽⁵⁾ | – | – | – | – | – | – | – | – | – | – | – | – |
| Tier 2 ⁽⁵⁾ | 7 | 2,875 | 21,066 | 255 | 356 | 709 | 16 | 4,934 | 35,554 | 570 | 582 | 1,551 |
| East Midlands: | | | | | | | | | | | | |
| Development Area ⁽⁴⁾ | – | – | – | – | – | – | 151 | 16,572 | 132,567 | 3,490 | 426 | 12,410 |
| Intermediate Area ⁽⁴⁾ | – | – | – | – | – | – | 395 | 31,190 | 362,083 | 6,612 | 5,589 | 18,581 |
| Tier 1 ⁽⁵⁾ | – | – | – | – | – | – | – | – | – | – | – | – |
| Tier 2 ⁽⁵⁾ | 13 | 5,303 | 42,633 | 342 | 805 | 6,069 | 37 | 16,921 | 153,398 | 2,312 | 1,319 | 11,173 |
| London: | | | | | | | | | | | | |
| Intermediate Area ⁽⁴⁾ | – | – | – | – | – | – | 207 | 18,237 | 147,033 | 4,679 | 2,202 | 12,292 |
| Tier 1 ⁽⁵⁾ | – | – | – | – | – | – | – | – | – | – | – | – |
| Tier 2 ⁽⁵⁾ | 12 | 3,961 | 49,010 | 719 | 682 | 842 | 21 | 5,108 | 78,936 | 901 | 881 | 2,197 |
| North East: | | | | | | | | | | | | |
| Special Development Area | – | – | – | – | – | – | – | – | – | – | – | 80 |
| Development Area ⁽⁴⁾ | – | – | – | – | – | – | 1,665 | 252,552 | 3,245,960 | 40,076 | 10,168 | 221,029 |
| Intermediate Area ⁽⁴⁾ | – | – | – | – | – | – | 110 | 12,154 | 135,776 | 2,509 | 1,724 | 12,869 |
| Tier 1 ⁽⁵⁾ | – | – | – | – | – | – | – | – | – | – | – | – |
| Tier 2 ⁽⁵⁾ | 38 | 16,535 | 105,717 | 2,329 | 1,196 | 32,653 | 91 | 104,417 | 1,148,432 | 6,503 | 5,005 | 56,353 |
| North West: | | | | | | | | | | | | |
| Development Area ⁽⁴⁾ | – | – | – | – | – | – | 993 | 186,206 | 1,528,660 | 22,172 | 16,693 | 122,612 |
| Intermediate Area ⁽⁴⁾ | – | – | – | – | – | – | 1,105 | 95,216 | 1,373,993 | 19,351 | 14,776 | 68,446 |
| Tier 1 ⁽⁵⁾ | 20 | 9,250 | 57,183 | 1,185 | 1,489 | 18,625 | 46 | 20,923 | 152,370 | 2,560 | 2,663 | 38,370 |
| Tier 2 ⁽⁵⁾ | 29 | 6,842 | 80,268 | 1,423 | 686 | 12,815 | 87 | 15,548 | 154,818 | 3,741 | 1,526 | 23,723 |
| South East: | | | | | | | | | | | | |
| Development Area ⁽⁴⁾ | – | – | – | – | – | – | 121 | 15,921 | 127,570 | 2,211 | 484 | 7,547 |
| Intermediate Area ⁽⁴⁾ | – | – | – | – | – | – | 255 | 21,567 | 341,421 | 5,482 | 2,315 | 12,890 |
| Tier 1 ⁽⁵⁾ | – | – | – | – | – | – | – | – | – | – | – | – |
| Tier 2 ⁽⁵⁾ | 7 | 7,560 | 104,805 | 1,094 | 214 | 3,710 | 31 | 10,431 | 142,443 | 1,916 | 556 | 7,716 |
| South West: | | | | | | | | | | | | |
| Development Area ⁽⁴⁾ | – | – | – | – | – | – | 140 | 24,845 | 86,645 | 2,743 | 874 | 19,463 |
| Intermediate Area ⁽⁴⁾ | – | – | – | – | – | – | 278 | 49,546 | 414,282 | 10,813 | 3,545 | 31,610 |
| Tier 1 ⁽⁵⁾ | 4 | 1,363 | 13,700 | 190 | 52 | 1,043 | 10 | 3,200 | 20,791 | 376 | 290 | 2,548 |
| Tier 2 ⁽⁵⁾ | 5 | 4,090 | 46,741 | 438 | 137 | 4,778 | 19 | 13,459 | 112,383 | 3,145 | 493 | 7,280 |
| West Midlands: | | | | | | | | | | | | |
| Development Area ⁽⁴⁾ | – | – | – | – | – | – | 485 | 125,096 | 801,770 | 10,518 | 9,654 | 61,959 |
| Intermediate Area ⁽⁴⁾ | – | – | – | – | – | – | 896 | 98,859 | 1,105,701 | 16,055 | 9,328 | 91,751 |
| Tier 1 ⁽⁵⁾ | – | – | – | – | – | – | – | – | – | – | – | – |
| Tier 2 ⁽⁵⁾ | 15 | 12,892 | 87,483 | 1,039 | 618 | 10,569 | 58 | 53,951 | 459,707 | 5,934 | 1,704 | 46,135 |
| Yorkshire and the Humber: | | | | | | | | | | | | |
| Development Area ⁽⁴⁾ | – | – | – | – | – | – | 391 | 52,639 | 546,970 | 10,519 | 1,872 | 52,448 |
| Intermediate Area ⁽⁴⁾ | – | – | – | – | – | – | 767 | 63,931 | 756,007 | 13,389 | 7,691 | 51,183 |
| Tier 1 ⁽⁵⁾ | 13 | 5,325 | 50,812 | 540 | 216 | 3,986 | 42 | 12,706 | 135,277 | 1,940 | 811 | 8,570 |
| Tier 2 ⁽⁵⁾ | 11 | 2,944 | 26,705 | 282 | 427 | 2,201 | 30 | 11,294 | 178,261 | 1,102 | 718 | 5,390 |

⁽¹⁾ Information prior to 1992-93 can be obtained from earlier Annual Reports of the Industrial Development Act.

⁽²⁾ Forecast employment figures are based on company forecasts for the project at the time of the offer.

⁽³⁾ Payments made in period shown; includes payments on prior projects for which offer was accepted in an earlier year.

⁽⁴⁾ Until 31 December 1999, Assisted Areas were known as Development Areas (DA) and Intermediate Areas (IA).

⁽⁵⁾ Tier 1 and 2 Areas effective from 1 January 2000.

TABLE 4 RSA SCHEME – PROJECT GRANTS – EMPLOYMENT
CUMULATIVE OFFERS ACCEPTED 1 APRIL 1992 TO 31 MARCH 2000
PAYMENTS AND EMPLOYMENT CREATED OR SAFEGUARDED 1 APRIL 1992 TO 31 MARCH 2000

| Country/Region | Offers Accepted 1.4.92 to 31.3.00 | | | Offers Accepted 1.4.92 to 31.3.00 where some payment made up to 31.3.02 | | | Total Payments to 31.3.02 (£'000) | Employment created and safeguarded to 31.3.02 |
|--------------------------|-----------------------------------|---------------|------------------------------------|---|---------------|------------------------------------|-----------------------------------|---|
| | No. | Value (£'000) | Forecast ⁽¹⁾ Employment | No. | Value (£'000) | Forecast ⁽¹⁾ Employment | | |
| Great Britain | 11,256 | 2,581,658 | 480,920 | 9,664 | 2,267,833 | 414,017 | 1,710,353 | 364,347 |
| Scotland | 1,799 | 926,523 | 126,097 | 1,431 | 773,124 | 100,447 | 520,969 | 86,167 |
| Wales | 1,317 | 580,623 | 93,098 | 1,123 | 527,317 | 82,902 | 385,317 | 65,953 |
| England | 8,140 | 1,074,512 | 261,725 | 7,110 | 967,392 | 230,668 | 804,067 | 212,227 |
| East | 181 | 9,980 | 3,765 | 159 | 8,724 | 3,362 | 7,748 | 3,411 |
| East Midlands | 546 | 47,762 | 16,117 | 451 | 39,306 | 13,722 | 35,809 | 12,225 |
| London | 207 | 18,237 | 6,881 | 163 | 16,229 | 5,966 | 13,842 | 6,143 |
| North East | 1,775 | 264,706 | 54,477 | 1,527 | 234,776 | 46,942 | 201,399 | 43,457 |
| North West | 2,098 | 281,423 | 72,992 | 1,855 | 251,729 | 63,807 | 212,879 | 60,131 |
| South East | 376 | 37,488 | 10,492 | 327 | 33,287 | 9,429 | 26,921 | 8,877 |
| South West | 418 | 74,391 | 17,975 | 364 | 65,421 | 15,744 | 52,305 | 15,593 |
| West Midlands | 1,381 | 223,956 | 45,555 | 1,215 | 211,877 | 41,737 | 168,460 | 36,361 |
| Yorkshire and the Humber | 1,158 | 116,569 | 33,471 | 1,049 | 106,043 | 29,959 | 84,704 | 26,029 |

⁽¹⁾ Forecast employment figures are based on company forecasts for the project at the time of offer.

TABLE 5 RSA SCHEME – PROJECT GRANTS IN GREAT BRITAIN BY TYPE OF INDUSTRY
CUMULATIVE OFFERS ACCEPTED AND PAYMENTS 1 APRIL 1992⁽¹⁾ TO 31 MARCH 2002

| Standard Industrial Classification (SIC) 1992 | | Cumulative Offers Accepted 1.4.92 to 31.3.02 | | | | | Payments 1.4.92 to 31.3.02 ⁽³⁾ (£'000) |
|---|--------|--|----------------------------------|------------------------------------|-------------|-----------|---|
| Class/Description | No. | Value (£'000) | Associated Project Costs (£'000) | Forecast ⁽²⁾ Employment | | | |
| | | | | New | Safeguarded | | |
| 01-05 Agriculture, hunting, forestry and fishing | 33 | 3,773 | 51,757 | 340 | 525 | 3,049 | |
| 10-14 Mining & Quarrying | 28 | 3,338 | 27,161 | 337 | 235 | 3,256 | |
| 15-37 Manufacturing: | | | | | | | |
| 15-16 Food, beverages & tobacco | 889 | 211,360 | 1,546,211 | 29,923 | 17,753 | 162,147 | |
| 17-19 Textiles, clothing, leather & footwear | 770 | 90,470 | 594,752 | 16,300 | 9,396 | 71,613 | |
| 20-22 Wood, paper, printing & publishing | 1,081 | 140,985 | 1,411,922 | 16,114 | 11,169 | 124,469 | |
| 23-25 Coke, petroleum, nuclear fuels, chemicals, m.m.fibres, rubber & plastic | 1,340 | 356,771 | 3,565,183 | 35,588 | 23,599 | 270,713 | |
| 26 Non-metallic mineral products | 348 | 75,220 | 1,153,167 | 8,157 | 6,881 | 43,647 | |
| 27-28 Metals & fabricated metal products | 2,258 | 224,895 | 1,861,853 | 32,124 | 17,488 | 185,559 | |
| 29 Machinery & equipment nes | 1,108 | 206,777 | 1,474,803 | 23,866 | 15,777 | 157,691 | |
| 30-33 Electrical & optical equipment | 1,268 | 993,905 | 11,023,449 | 97,013 | 32,405 | 596,032 | |
| 34-35 Transport equipment | 536 | 452,489 | 3,586,184 | 30,729 | 33,345 | 343,179 | |
| 36-37 Other manufacturing | 669 | 70,529 | 457,799 | 11,667 | 3,600 | 45,679 | |
| 40-41 Electricity, gas & water supply | 9 | 3,773 | 17,950 | 196 | 564 | 3,307 | |
| 45 Construction | 232 | 13,798 | 144,445 | 3,507 | 757 | 10,003 | |
| 50-52 Wholesale & retail trade, repairs | 528 | 62,902 | 516,894 | 12,884 | 3,478 | 44,202 | |
| 55 Hotels & restaurants | 33 | 2,918 | 16,092 | 896 | 334 | 2,575 | |
| 60-64 Transport, storage & communication | 162 | 53,924 | 318,050 | 15,766 | 1,052 | 23,454 | |
| 65-67 Financial intermediation | 65 | 106,136 | 780,897 | 25,779 | 1,190 | 50,144 | |
| 70-74 Real estate, renting & business activities | 749 | 123,379 | 690,643 | 27,794 | 1,958 | 61,766 | |
| 75-99 Other Services | 210 | 24,773 | 196,300 | 4,813 | 835 | 30,785 | |
| Total | 12,316 | 3,222,115 | 29,435,512 | 393,793 | 182,341 | 2,233,271 | |

⁽¹⁾ Information on closed schemes and on Project Grants prior to 1992-93 can be obtained from earlier Annual Reports of the Industrial Development Act.

⁽²⁾ Forecast employment figures are based on company forecasts for the project at the time of offer.

⁽³⁾ Payments made in period shown; includes payments on prior projects for which offer was accepted in an earlier year.

TABLE 6 RSA SCHEME – PROJECT GRANTS BY COUNTRY
APPLICATIONS, OFFERS ACCEPTED AND PAYMENTS MADE 1998-99 TO 2001-02

| Country | Applications | | | Offers Accepted ⁽¹⁾ | | | | | |
|----------------|--|-------|---------------|--------------------------------|---------------|----------------------------------|------------------------------------|-------------|---------------------------------|
| | Financial year of application, acceptance or payment | No. | Value (£'000) | No. | Value (£'000) | Associated Project Costs (£'000) | Forecast ⁽²⁾ Employment | | Payments ⁽³⁾ (£'000) |
| | | | | | | | New | Safeguarded | |
| Great Britain: | 1998-99 | 1,482 | 363,007 | 1,175 | 230,789 | 2,092,444 | 41,359 | 13,814 | 242,813 |
| | 1999-00 | 789 | 754,748 | 697 | 400,727 | 3,178,616 | 45,197 | 19,114 | 209,579 |
| | 2000-01 | 492 | 406,570 | 445 | 281,122 | 1,965,537 | 27,386 | 15,963 | 205,076 |
| | 2001-02 | 592 | 461,845 | 477 | 246,224 | 1,460,172 | 23,318 | 14,574 | 192,713 |
| Scotland: | 1998-99 | 265 | 112,067 | 216 | 72,080 | 449,897 | 8,663 | 2,504 | 74,204 |
| | 1999-00 | 348 | 282,983 | 254 | 141,975 | 717,090 | 15,344 | 5,304 | 51,998 |
| | 2000-01 | 76 | 77,143 | 117 | 104,580 | 517,714 | 9,532 | 5,597 | 69,837 |
| | 2001-02 | 86 | 137,518 | 68 | 57,867 | 344,072 | 5,767 | 3,683 | 42,553 |
| Wales: | 1998-99 | 142 | 64,673 | 121 | 47,548 | 436,496 | 7,682 | 1,054 | 79,886 |
| | 1999-00 | 172 | 120,912 | 139 | 53,497 | 302,424 | 7,979 | 3,500 | 44,963 |
| | 2000-01 | 200 | 160,055 | 152 | 97,602 | 761,700 | 8,018 | 3,488 | 37,239 |
| | 2001-02 | 290 | 154,955 | 235 | 109,417 | 429,977 | 7,715 | 4,013 | 52,160 |
| England: | 1998-99 | 1,193 | 426,913 | 876 | 128,232 | 1,362,256 | 18,384 | 9,454 | 111,380 |
| | 1999-00 | 1,075 | 186,267 | 838 | 111,161 | 1,206,051 | 25,014 | 10,256 | 88,723 |
| | 2000-01 | 269 | 350,853 | 304 | 205,255 | 2,159,132 | 21,874 | 10,310 | 112,618 |
| | 2002-02 | 216 | 169,372 | 174 | 78,940 | 686,123 | 9,836 | 6,878 | 98,000 |

(1) Accepted in period shown; includes projects for which the application was received in an earlier year. Revisions to offers in the year of initial acceptance.

(2) Forecast employment figures are based on company forecasts for the project at the time of offer.

(3) Payments made in period shown; includes payment on projects for which offer was accepted in an earlier year.

TABLE 7 RSA SCHEME – PROJECT GRANTS IN ENGLISH REGIONS
APPLICATIONS, OFFERS ACCEPTED AND PAYMENTS MADE 1998-99 TO 2001-02

| Region | Applications | | | Offers Accepted ⁽¹⁾ | | | | | |
|---------------------------|--|-----|---------------|--------------------------------|---------------|----------------------------------|------------------------------------|-------------|---------------------------------|
| | Financial year of application, acceptance or payment | No. | Value (£'000) | No. | Value (£'000) | Associated Project Costs (£'000) | Forecast ⁽²⁾ Employment | | Payments ⁽³⁾ (£'000) |
| | | | | | | | New | Safeguarded | |
| East: | 1998-99 | 29 | 2,372 | 22 | 661 | 5,495 | 287 | 17 | 691 |
| | 1999-00 | 24 | 2,059 | 20 | 1,351 | 14,912 | 403 | 59 | 545 |
| | 2000-01 | 11 | 2,968 | 8 | 1,969 | 13,148 | 290 | 221 | 840 |
| | 2001-02 | 11 | 5,510 | 7 | 2,875 | 21,066 | 255 | 356 | 709 |
| East Midlands: | 1998-99 | 122 | 15,167 | 81 | 7,063 | 60,482 | 1,386 | 321 | 6,355 |
| | 1999-00 | 121 | 13,743 | 80 | 8,086 | 83,782 | 1,151 | 1,498 | 3,842 |
| | 2000-01 | 27 | 30,100 | 24 | 11,626 | 108,025 | 1,970 | 514 | 5,081 |
| | 2001-02 | 15 | 13,176 | 13 | 5,303 | 42,633 | 342 | 805 | 6,069 |
| London: | 1998-99 | 38 | 4,184 | 22 | 1,219 | 10,458 | 381 | 169 | 3,075 |
| | 1999-00 | 43 | 4,057 | 25 | 1,237 | 9,025 | 353 | 185 | 2,266 |
| | 2000-01 | 9 | 2,062 | 9 | 1,147 | 29,926 | 182 | 199 | 1,281 |
| | 2001-02 | 11 | 5,469 | 12 | 3,961 | 49,010 | 719 | 682 | 842 |
| North East: | 1998-99 | 254 | 88,952 | 213 | 25,402 | 276,116 | 4,491 | 1,225 | 19,662 |
| | 1999-00 | 223 | 51,304 | 188 | 29,597 | 246,683 | 5,271 | 1,413 | 17,378 |
| | 2000-01 | 42 | 45,420 | 47 | 86,460 | 1,067,770 | 3,857 | 4,355 | 23,524 |
| | 2001-02 | 44 | 31,881 | 38 | 16,535 | 103,718 | 2,329 | 1,196 | 32,653 |
| North West: | 1998-99 | 288 | 54,763 | 187 | 27,564 | 550,075 | 4,775 | 3,066 | 27,618 |
| | 1999-00 | 274 | 43,514 | 222 | 30,318 | 426,949 | 6,242 | 4,124 | 25,446 |
| | 2000-01 | 79 | 90,421 | 81 | 19,979 | 157,700 | 3,267 | 2,056 | 30,343 |
| | 2001-02 | 66 | 63,923 | 49 | 16,092 | 137,450 | 2,608 | 2,175 | 31,440 |
| South East: | 1998-99 | 65 | 9,601 | 40 | 4,825 | 35,643 | 845 | 79 | 3,240 |
| | 1999-00 | 63 | 7,375 | 48 | 4,528 | 46,324 | 954 | 439 | 5,012 |
| | 2000-01 | 6 | 3,108 | 24 | 2,871 | 37,638 | 822 | 342 | 3,994 |
| | 2001-02 | 5 | 15,837 | 7 | 7,560 | 104,805 | 1,094 | 214 | 3,710 |
| South West: | 1998-99 | 41 | 22,022 | 38 | 13,877 | 88,313 | 1,130 | 1,496 | 9,222 |
| | 1999-00 | 39 | 11,400 | 26 | 6,417 | 52,416 | 2,626 | 641 | 4,152 |
| | 2000-01 | 13 | 10,140 | 20 | 11,206 | 72,733 | 2,893 | 594 | 3,996 |
| | 2001-02 | 11 | 11,082 | 9 | 5,453 | 60,441 | 628 | 189 | 5,821 |
| West Midlands: | 1998-99 | 177 | 203,370 | 120 | 33,764 | 198,109 | 2,283 | 1,701 | 30,216 |
| | 1999-00 | 129 | 31,651 | 92 | 16,450 | 142,338 | 3,457 | 703 | 20,397 |
| | 2000-01 | 31 | 81,547 | 43 | 41,059 | 372,224 | 4,895 | 1,086 | 35,514 |
| | 2001-02 | 16 | 15,887 | 15 | 12,892 | 87,483 | 1,039 | 618 | 10,569 |
| Yorkshire and the Humber: | 1998-99 | 179 | 26,482 | 153 | 13,857 | 137,565 | 2,806 | 1,380 | 11,301 |
| | 1999-00 | 159 | 21,164 | 137 | 13,177 | 183,622 | 4,557 | 1,194 | 9,685 |
| | 2000-01 | 51 | 85,087 | 48 | 28,938 | 299,968 | 3,698 | 943 | 8,045 |
| | 2001-02 | 37 | 19,407 | 24 | 8,269 | 77,517 | 822 | 643 | 6,187 |

(1) Accepted in period shown; includes projects for which the application was received in an earlier year. Revisions to offers in the year of initial acceptance.

(2) Forecast employment figures are based on company forecasts for the project at the time of offer.

(3) Payments made in period shown; includes payment on projects for which offer was accepted in an earlier year.

TABLE 8 RSA SCHEME – PROJECT GRANTS BY UK AND FOREIGN OWNED COMPANIES
OFFERS ACCEPTED AND PAYMENTS 1 APRIL 2001 TO 31 MARCH 2002
CUMULATIVE OFFERS ACCEPTED AND PAYMENTS 1 APRIL 1992 TO 31 MARCH 2002

| Country/Region | Offers Accepted 1.4.01 to 31.3.02 | | | | | | Cumulative Offers Accepted 1.4.92 to 31.3.02 | | | | | |
|----------------------------------|-----------------------------------|----------------|----------------------------------|---|------------------------------------|------------------------------------|--|------------------|----------------------------------|---|------------------------------------|---|
| | No. | Value (£'000) | Associated Project Costs (£'000) | Forecast Employment ⁽¹⁾ NewSafeguarded | Forecast Employment ⁽¹⁾ | Payments 1.4.01 to 31.3.02 (£'000) | No. | Value (£'000) | Associated Project Costs (£'000) | Forecast Employment ⁽¹⁾ NewSafeguarded | Forecast Employment ⁽¹⁾ | Payments 1.4.92 to 31.3.02 ⁽²⁾ (£'000) |
| Great Britain: | | | | | | | | | | | | |
| UK Owned | 392 | 125,629 | 782,164 | 15,276 | 6,233 | 95,807 | 10,902 | 1,499,937 | 11,040,657 | 241,124 | 97,837 | 1,084,421 |
| Foreign Owned | 85 | 120,595 | 678,008 | 8,042 | 8,341 | 96,906 | 1,414 | 1,722,178 | 18,394,855 | 152,669 | 84,504 | 1,148,850 |
| Total | 477 | 246,224 | 1,460,172 | 23,318 | 14,574 | 192,713 | 12,316 | 3,222,115 | 29,435,512 | 393,793 | 182,341 | 2,233,271 |
| Scotland⁽³⁾: | | | | | | | | | | | | |
| UK Owned | 50 | 28,127 | 156,580 | 2,669 | 1,254 | 26,287 | 1,525 | 437,385 | 2,500,518 | 50,783 | 22,348 | 283,727 |
| Foreign Owned | 18 | 29,740 | 187,492 | 3,098 | 2,429 | 16,266 | 459 | 651,585 | 6,379,419 | 58,082 | 19,498 | 379,827 |
| Total | 68 | 57,867 | 344,072 | 5,767 | 3,683 | 42,553 | 1,984 | 1,088,970 | 8,879,937 | 108,865 | 41,846 | 663,554 |
| Wales: | | | | | | | | | | | | |
| UK Owned | 200 | 43,172 | 185,968 | 4,963 | 916 | 29,613 | 1,371 | 322,374 | 1,822,062 | 43,790 | 14,846 | 252,879 |
| Foreign Owned | 35 | 66,245 | 244,009 | 2,752 | 3,097 | 22,547 | 333 | 463,368 | 4,783,525 | 37,219 | 20,295 | 302,081 |
| Total | 235 | 109,417 | 429,977 | 7,715 | 4,013 | 52,160 | 1,704 | 785,742 | 6,605,587 | 81,009 | 35,141 | 554,960 |
| England: | | | | | | | | | | | | |
| UK Owned | 142 | 54,330 | 439,616 | 7,644 | 4,063 | 39,907 | 8,006 | 740,178 | 6,718,077 | 146,551 | 60,643 | 547,815 |
| Foreign Owned | 32 | 24,610 | 246,507 | 2,192 | 2,815 | 58,093 | 622 | 607,225 | 7,231,911 | 57,368 | 44,711 | 466,942 |
| Total | 174 | 78,940 | 686,123 | 9,836 | 6,878 | 98,000 | 8,628 | 1,347,403 | 13,949,988 | 203,919 | 105,354 | 1,014,757 |
| East: | | | | | | | | | | | | |
| UK Owned | 6 | 1,875 | 15,666 | 255 | 153 | 708 | 189 | 13,036 | 94,136 | 2,720 | 1,710 | 8,016 |
| Foreign Owned | 1 | 1,000 | 5,400 | – | 203 | – | 8 | 1,878 | 12,599 | 150 | 337 | 113 |
| East Midlands: | | | | | | | | | | | | |
| UK Owned | 9 | 2,463 | 20,201 | 256 | 296 | 3,486 | 547 | 44,349 | 459,985 | 9,738 | 5,072 | 32,848 |
| Foreign Owned | 4 | 2,840 | 22,432 | 86 | 509 | 2,578 | 36 | 20,334 | 188,063 | 2,676 | 2,262 | 9,317 |
| London: | | | | | | | | | | | | |
| UK Owned | 12 | 3,961 | 49,010 | 719 | 682 | 911 | 219 | 19,062 | 186,285 | 5,032 | 2,107 | 11,059 |
| Foreign Owned | – | – | – | – | – | – | 9 | 4,283 | 39,684 | 548 | 976 | 3,430 |
| North East: | | | | | | | | | | | | |
| UK Owned | 28 | 11,515 | 60,156 | 1,608 | 496 | 9,740 | 1,717 | 156,650 | 1,417,192 | 31,003 | 8,188 | 132,253 |
| Foreign Owned | 10 | 5,020 | 45,562 | 721 | 700 | 23,106 | 149 | 212,473 | 3,112,976 | 18,085 | 8,709 | 158,077 |
| North West: | | | | | | | | | | | | |
| UK Owned | 41 | 12,445 | 110,027 | 1,996 | 1,432 | 11,444 | 2,096 | 181,973 | 1,669,374 | 36,756 | 19,746 | 144,814 |
| Foreign Owned | 8 | 3,647 | 27,423 | 612 | 743 | 20,262 | 135 | 135,920 | 1,540,465 | 11,068 | 15,912 | 108,337 |
| South East: | | | | | | | | | | | | |
| UK Owned | 6 | 2,560 | 15,805 | 694 | 214 | 1,739 | 390 | 29,984 | 279,255 | 6,757 | 3,009 | 19,380 |
| Foreign Owned | 1 | 5,000 | 89,000 | 400 | – | 1,469 | 17 | 17,935 | 332,179 | 2,852 | 346 | 8,772 |
| South West: | | | | | | | | | | | | |
| UK Owned | 6 | 2,515 | 31,186 | 355 | 137 | 3,188 | 386 | 47,368 | 308,925 | 10,279 | 3,042 | 37,232 |
| Foreign Owned | 3 | 2,938 | 29,255 | 273 | 52 | 2,628 | 61 | 43,682 | 325,176 | 6,798 | 2,160 | 23,670 |
| West Midlands: | | | | | | | | | | | | |
| UK Owned | 13 | 10,827 | 73,063 | 1,016 | 155 | 4,533 | 1,325 | 145,802 | 1,195,785 | 22,348 | 8,911 | 81,411 |
| Foreign Owned | 2 | 2,065 | 14,420 | 23 | 463 | 6,027 | 114 | 132,105 | 1,171,393 | 10,159 | 11,775 | 118,435 |
| Yorkshire and The Humber: | | | | | | | | | | | | |
| UK Owned | 21 | 6,169 | 64,502 | 745 | 498 | 4,158 | 1,137 | 101,954 | 1,107,140 | 21,918 | 8,858 | 80,801 |
| Foreign Owned | 3 | 2,100 | 13,015 | 77 | 145 | 2,023 | 93 | 38,615 | 509,376 | 5,032 | 2,234 | 36,791 |

⁽¹⁾ Forecast employment figures are based on company forecasts for the project at the time of offer.

⁽²⁾ Payments made in period shown; includes payments on prior projects for which offer was accepted in an earlier year.

⁽³⁾ These figures do not include the Invest for Growth Scheme.

TABLE 9 RSA SCHEME – APPLICATIONS REJECTED AND WITHDRAWN 1 APRIL 2001 TO 31 MARCH 2002
 CUMULATIVE APPLICATIONS REJECTED AND WITHDRAWN 1 APRIL 1992 TO 31 MARCH 2002

| <i>Country/Region</i> | <i>Applications Rejected and Withdrawn 1.4.01 to 31.3.02</i> | | | | <i>Cumulative Applications Rejected and Withdrawn 1.4.92 to 31.3.02</i> | | | |
|--------------------------|--|-----------------------------|--------------|-------------------------|---|-----------------------------|-----------------------------|--------------|
| | <i>Tier 1⁽¹⁾</i> | <i>Tier 2⁽¹⁾</i> | <i>Total</i> | <i>DA⁽²⁾</i> | <i>IA⁽²⁾</i> | <i>Tier 1⁽¹⁾</i> | <i>Tier 2⁽¹⁾</i> | <i>Total</i> |
| Great Britain | 18 | 30 | 48 | 1,553 | 1,518 | 41 | 97 | 3,209 |
| Scotland | – | 8 | 8 | 267 | 33 | – | 43 | 343 |
| Wales | 8 | 3 | 11 | 125 | 113 | 23 | 6 | 267 |
| England | 10 | 19 | 29 | 1,161 | 1,372 | 18 | 48 | 2,599 |
| East | – | 1 | 1 | – | 51 | – | 1 | 52 |
| East Midlands | – | 2 | 2 | 61 | 134 | – | 9 | 204 |
| London | – | 1 | 1 | – | 88 | – | 4 | 92 |
| North East | – | – | – | 395 | 36 | – | 2 | 433 |
| North West | 7 | 5 | 12 | 374 | 320 | 11 | 13 | 718 |
| South East | – | – | – | 21 | 58 | – | – | 79 |
| South West | 1 | 2 | 3 | 55 | 88 | 1 | 2 | 146 |
| West Midlands | – | 3 | 3 | 159 | 361 | – | 4 | 524 |
| Yorkshire and the Humber | 2 | 5 | 7 | 96 | 236 | 6 | 13 | 351 |

⁽¹⁾ Tier 1 and 2 Areas effective from January 2000

⁽²⁾ Until 31 December 1999, Assisted Areas were known as Development Areas (DA) and Intermediate Areas (IA)

APPENDIX 3

Statistics relating to the Enterprise Grant Scheme

TABLE 1 ENTERPRISE GRANT SCHEME⁽¹⁾
 APPLICATIONS RECEIVED FROM 1 APRIL 2001 TO 31 MARCH 2002
 CUMULATIVE APPLICATIONS RECEIVED 1 APRIL 2000 TO 31 MARCH 2002

| Region | Applications Received 1.4.01 to 31.3.02 | | Cumulative Applications Received 1.4.00 to 31.3.02 | |
|--------------------------|--|------------------|---|------------------|
| | No. | Value (£'000) | No. | Value (£'000) |
| East | 12 | 615 | 27 | 1,267 |
| East Midlands | 92 | 3,645 | 210 | 8,179 |
| London | 10 | 406 | 40 | 1,708 |
| North East | 130 | 4,407 | 273 | 8,907 |
| North West | 144 | 5,527 | 347 | 13,280 |
| South East | 53 | 1,573 | 114 | 3,677 |
| South West | 40 | 980 | 75 | 2,404 |
| West Midlands | 87 | 3,251 | 198 | 7,681 |
| Yorkshire and the Humber | 118 | 4,360 | 273 | 9,719 |
| Total: | 686 | 24,764 | 1,557 | 56,822 |

⁽¹⁾ EGS is an English Scheme

TABLE 2 ENTERPRISE GRANT SCHEME⁽¹⁾
 OFFERS ACCEPTED AND PAYMENTS 1 APRIL 2001 TO 31 MARCH 2002
 CUMULATIVE OFFERS ACCEPTED AND PAYMENTS 1 APRIL 2000 TO 31 MARCH 2002

| Region | Offers accepted and payments 1.4.01 to 31.3.02 | | | | Cumulative offers accepted and payments 1.4.00 to 31.3.02 | | | |
|--------------------------|--|------------------|---|---|--|------------------|---|---|
| | No. | Value (£'000) | Associated Capital Costs (£'000) | Payments 1.4.01 to 31.3.02 (£'000) | No. | Value (£'000) | Associated Capital Costs (£'000) | Payments 1.4.00 to 31.3.02 (£'000) |
| East | 10 | 395 | 3,166 | 223 | 19 | 705 | 5,340 | 330 |
| East Midlands | 67 | 2,221 | 17,024 | 1,230 | 139 | 4,492 | 34,786 | 1,828 |
| London | 10 | 293 | 2,920 | 378 | 21 | 638 | 5,951 | 293 |
| North East | 120 | 3,776 | 26,756 | 2,158 | 243 | 7,118 | 51,809 | 2,905 |
| North West | 126 | 4,556 | 35,199 | 2,229 | 221 | 7,813 | 62,463 | 3,040 |
| South East | 59 | 1,657 | 12,118 | 581 | 88 | 2,720 | 20,047 | 682 |
| South West | 37 | 860 | 6,796 | 573 | 50 | 1,327 | 9,914 | 606 |
| West Midlands | 82 | 2,796 | 21,367 | 1,386 | 137 | 4,575 | 36,569 | 1,729 |
| Yorkshire and the Humber | 81 | 2,304 | 21,319 | 1,460 | 175 | 5,087 | 47,577 | 2,444 |
| Total | 592 | 18,858 | 146,665 | 10,218 | 1,093 | 34,475 | 274,456 | 13,857 |

⁽¹⁾ EGS is an English Scheme

TABLE 3 ENTERPRISE GRANT SCHEME⁽¹⁾
 APPLICATIONS REJECTED AND WITHDRAWN 1 APRIL 2001 TO 31 MARCH 2002
 CUMULATIVE APPLICATIONS REJECTED AND WITHDRAWN
 1 APRIL 2000 TO 31 MARCH 2002

| Region | Applications Rejected and Withdrawn 1.4.01 to 31.3.02 | Cumulative Applications Rejected and Withdrawn 1.4.00 to 31.3.02 |
|--------------------------|---|--|
| | East | 2 |
| East Midlands | 30 | 60 |
| London | 5 | 13 |
| North East | 6 | 8 |
| North West | 35 | 67 |
| South East | 4 | 6 |
| South West | 13 | 14 |
| West Midlands | 18 | 32 |
| Yorkshire and the Humber | 45 | 80 |
| Total | 158 | 284 |

⁽¹⁾ EGS is an English Scheme

APPENDIX 4

Statistics relating to section 13 of the Industrial Development Act 1982

IMPROVEMENT OF BASIC SERVICES IN THE ASSISTED AREAS

(The figures represent the position at 31 March 2002 for those applications approved during the year. Figures for previous assistance under section 13 are available in earlier Annual Reports.)

| | <i>Applications</i> | | | | | | <i>Applications Approved</i> | | |
|---|---------------------|---------------------------------------|------------------------------|-----------------|------------------|----------------------------|------------------------------|---------------------------|----------------------------|
| | <i>Service</i> | <i>Brought Forward from 2000/2001</i> | <i>Received in 2001/2002</i> | <i>Rejected</i> | <i>Withdrawn</i> | <i>Under Consideration</i> | <i>Number</i> | <i>Estimated Cost (£)</i> | <i>Estimated Grant (£)</i> |
| DTLR ⁽¹⁾ | Roads | 2 | 5 | nil | 1 | 2 | 4 | 1,074,841 | 322,052 |
| DEFRA ⁽²⁾ | Water and Sewerage | 4 | 2 | nil | nil | 2 | 4 | 1,288,177 | 386,453 |
| Scottish Executive Development Department | Roads | 2 | nil | nil | nil | nil | 2 | 399,124 | 119,737 |
| Environment Department | Water and Sewerage | nil | nil | nil | nil | nil | nil | nil | nil |
| National Assembly for Wales | Roads | nil | 1 | nil | nil | 1 | nil | nil | nil |
| | Water | 2 | nil | nil | nil | 2 | nil | nil | nil |
| | Sewerage | nil | nil | nil | nil | nil | nil | nil | nil |
| Total | | 10 | 8 | nil | 1 | 7 | 10 | 14,752,531 | 828,242 |

¹ Department of Transport, Local Government and the Regions

² Department of the Environment, Food and Rural Affairs

APPENDIX 5

Chairmen and Members of the Industrial Development Advisory Boards and Regional Industrial Development Boards

During the year some changes were made to the membership of some of the Boards. The names below represent the position at 31 March 2002:

Scottish Industrial Development Advisory Board

Chairman

Mr V Lall

Corporate Finance Director, Bell Laurie Wise Speke

Members

Mr I P Bankier

Group Managing Director, Burn Stewart Distillers Ltd

Mr D Campbell CBE

Deputy Chairman, Scottish Enterprise Ayrshire

Mr D M Gray

Chairman, DTZ Piedad Consultancy Ltd

Mr J McColl

Chairman & Chief Executive, Clyde Blowers plc

Dr D McKay

Managing Director, FCI Systems & Assembly Division Europe

Professor J Murray OBE

Director, Murray Technology Management Associates

Mr J Quigley

National Officer, Amalgamated Engineering & Electrical Union

Mrs M Seymour

Director, Seymour Swimming Pool Engineers

Mr P Timms CBE

Director, Flexible Technology Ltd

Sir David Brown

Chairman, Motorola Ltd

Mr R Carr

Chairman, Chubb plc

Miss R Hedley-Miller

Vice Chairman, Dresdner Kleinwort Wasserstein

Mr S Hollis

Senior Partner, KPMG, Birmingham

Sir Michael Lickiss

Chairman, South West of England Regional Development Agency

Mr G Page CBE

Chairman, Cobham plc

Lord Paul

Chairman, Caparo Group Ltd

Mr B Sanderson CBE

Chairman, BUPA plc and Learning and Skills Council

Mr R Swannell

Vice Chairman, Schroder Salomon Smith Barney

The Hon Barbara Thomas

Chairman, Private Equity Investor plc

East of England Industrial Development Board

Chairman

Ms E Oddie

Director of Business Services, Tenon

Members

Ms L Allen

Managing Director, Holus Bureau Ltd

Ms A Clack

Partner, Hornagold and Hills

Mr M Clark

Group Finance Director, Harvestime Ltd

Mr A Davies

General Manager, SLP Engineering Ltd

Mr M Gould

Regional Officer, Manufacturing, Science and Finance Union and

President of SERTUC Regional Council

Mr K Hamilton

Retired Managing Director of Product Division, Electrolux Ltd

Mrs F Hoskins

Deputy Agent, Bank of England

Mr S Khan MBE

Sales and Marketing Director, Kensal Ltd

Ms T Knight

Managing Director, Nighthawk Electronics Ltd

Mr H Lawson

Managing Director, Norwich Airport

Mr M Smith

Retired Managing Director, Binney & Smith (Europe) Ltd

Mrs A White

Retired Director of External Relations, Royal Mail

Welsh Industrial Development Advisory Board

Chairman

Mrs S Drury, OBE

Retired Company Director, Member of the Commission for Equal Opportunities, Council Member ELWa and Director Representing Wales, Investors in People

Members

Dr J Driscoll

Management Consultant, Ex Partner, PricewaterhouseCoopers, Cardiff

Mr R Fowler

Director, Robertson Research International Ltd

Mr G Long

Retired International Development Director, Allevard Springs Ltd

Mr J Maddock

Managing Director, Simbec Research Ltd

Mr N Wheeler

Chief Executive, Trikon Technology Ltd

Mr A Wright OBE

Managing Director, Hoya Lens UK Ltd

Industrial Development Advisory Board

Chairman

Sir Victor Blank

Chairman, GUS plc

Members

Mr M Beverley

Retired UK Regional Managing Partner, Arthur Andersen

London and South East Industrial Development Board

Chairman

Mr J McCready

Partner, Ernst & Young Real Estate

Members

Mr T Cohen

Group Controller, Orange plc

Mr P Croucher

Retired Managing Director, Royal and Sun Alliance Insurance

Group plc

Mr P Davda

Executive Advisor, Private Family Group

Mr B Davies

Director, Pirelli General plc

Mr A Holmes

Managing Director, Quester Capital Management

Ms W Hyde

Agent, Bank of England

Mr G Kessler

Managing Director, Kessler International Ltd

Miss M Lai

Partner, Pridie Brewster

Mr TKJ Raja

Director, Adeptweb

Mrs H Sasson

Business Consultant

Mr R Stiles

Chairman, Stiles, Harold Williams

Mr D Wilson

Director of Estates, Imperial College

Mr G Wyles

Regional Manager, South East, Royal Bank of Scotland

North East Industrial Development Board

Chairman

Mr R Maudslay

Managing Director, House of Hardy Ltd

Members

Mr S Chaudhary

Head of Biologics Operations, Avecia Life Science Molecules

Mr M Kellaway

Managing Director, H-A Interiors Ltd

Mr M McCullagh

Chairman, Marske Machine Group of Companies

Mrs L Moran MBE

Chief Executive, Northern Recruitment Group plc

Mr H Morgan Williams

Chairman, Canford Group

Mr P Nowak

Regional Director, Trades Union Congress

Ms A Reccc

Director, Bywell Holdings Ltd

Mr M Stephenson MBE

Managing Director, Helena Laboratories (UK) Ltd

Mr S Still

Chief Operating Officer, Brewin Dolphin Securities

Ms L Winskell

Solicitor, Eversheds

North West Industrial Development Board

Chairman

Mrs L Clinton

General & Commercial Manager, P&M Europe Pilkington plc

Members

Mr J M Alcock

Non Executive Chairman, Cumbria Crystal Ltd

Mr R Armstrong

Non Executive Director, Royal Liver Insurance

Mr J W Cackett

Chairman, OSS Group Ltd

Mr J C Dixon

Chairman, Penthouse Carpets Ltd

Mr C Jeanes OBE

Member, North West Development Agency

Mr D McCall

Regional Secretary, Transport & General Workers Union

Mr K K Pathak

Chairman/Chief Executive, Patak's Foods Ltd

Mr A J Strachan

Agent, North West Agency, Bank of England

Ms E M Wisemark

Managing Director, Optima Management Services Ltd

Dr M J Wood

Director, North West Engineering

South West Industrial Development Board

Chairman

Mr I Lowe

Project Executive, Rolls Royce plc

Members

Miss R E Bagley

Chief Executive, South Hams District Council

Dr R Bown

Technical & Quality Director, Imerys

Mr J L Crownshaw

Chief Executive, Bond Pearce Solicitors

Mr I R Douglas

Finance Director and Company Secretary, The Wrigley Company Ltd

Mr N Gibson

Retired Regional Director, South Wales & West, Lloyds/TSB

Mr A N Hayman

Managing Director, J&S Marine Ltd

Mrs N M Lamond

Director of Finance, Falmouth College of Arts

Mr M J Leece

Chief Executive, National Marine Aquarium

Mrs D Major

Area Manager, HSBC Bank plc

Mr R W Nand-Lal CBE

Retired Director of Administration, Cranfield University

Miss V H Pickering

Project Director, BP plc

Mr N J Randall

Chairman, Surface Technology Systems plc

Mr B J Sherwin

Retired Managing Director, Wrafton Laboratories Ltd

Mr T A Slater

Director and Chief Executive, Engineering Employers' Western Association

Mrs B Speirs

Chairman, Institute of Directors, West Of England

West Midlands Industrial Development Board

Chairman

Mr P C Sabapathy OBE

Director, UCE Property Ltd

Members

Mrs M Barrett

Managing Director, Radiant Heating Services Ltd

Mr G Clements

Group Managing Director, Ishida Europe Ltd

Mr M Day

General Manager, Aeroquip Vickers Ltd

Mr J Evans

Managing Director, ZF Lemforder UK Ltd

Mr D Grove

Chairman and Chief Executive, Grove Industries Ltd

Ms J A Lodge

Partner, Deloitte & Touche

Mr G L Long

Deputy General Manager, HSBC Bank plc

Mr D Lovatt

Chairman, Lovatt Engineering Ltd

Mr H C Marshall

Executive Chairman, Bullough plc

Mr N E Price

Chairman, Raybould Price & Associates

Mr R Small

Director, Mahle Tennex Filter Systems Ltd

Mr C P M Swan

Chairman, Chris Swan Management Services Ltd

Yorkshire and the Humber and the East Midlands Industrial Development Board

Chairman

Mrs J A Kenny CBE

Managing Director, Pyronix Ltd

Members

Mr N G Adnitt

Operations Director, Solway Foods

Mr A Berryman

Managing Director, Welbeck Fabrics Ltd

Mr H M Birdwisa

Executive Vice-President, Koyo Bearings (Europe) Ltd

Mrs J Bradford

Former East Region Managing Director, NatWest Bank

Mr P Cliff

Chief Executive, Humber Chemical Focus Ltd

Mr J Cummins

Managing Director, Avista Ltd

Mr S Good

Managing Director, Hodgson Chemicals Ltd

Mrs C Holmes

Chief Executive, Icon Labels Ltd

Mr Z Hussain

BT Ignite Global Solutions

Professor J Lynch

Institute for Corporate Learning – Leeds University Business

School

Mrs G Mettyear

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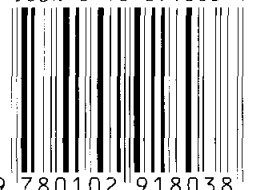
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