

# Industrial Development Act 1982

Annual Report  
by

**The Secretary of State for Business,  
Innovation and Skills,  
the First Minister of Scotland,  
and the Welsh Ministers**

**For the year ended 31 March 2014**



Department  
for Business  
Innovation & Skills



Llywodraeth Cymru  
Welsh Government

# Industrial Development Act 1982

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The Secretary of State for Business,  
Innovation and Skills,  
the First Minister of Scotland,  
and the Welsh Ministers

For the year ended 31 March 2014

Presented to Parliament pursuant to Sections 11  
and 15 of the Industrial Development Act 1982

Laid before the Scottish Parliament

Laid before the Welsh Assembly

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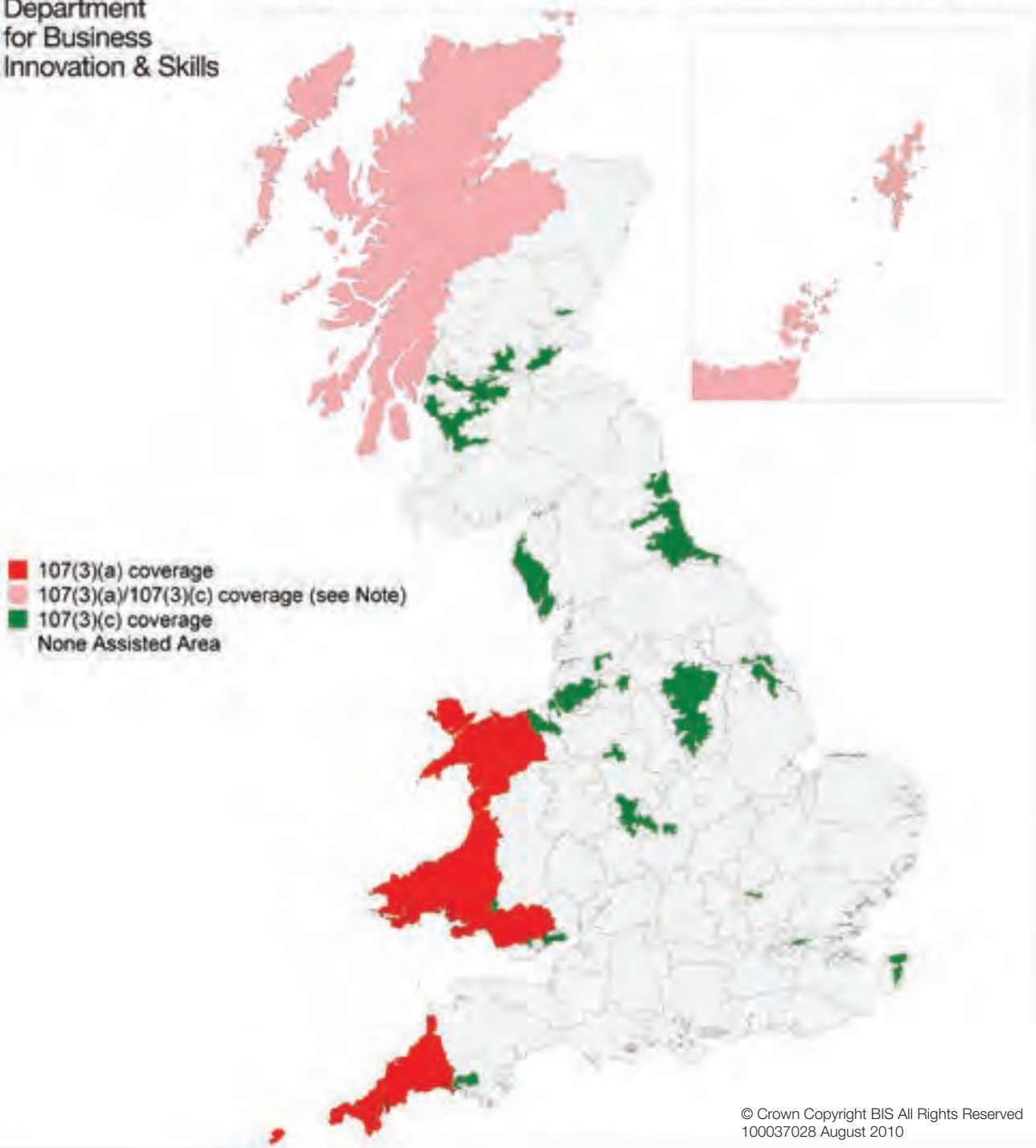
## Abbreviations

AAP	Automotive Assistance Programme
AMR	RGF Annual Monitoring Report
the Act	Industrial Development Act 1982
BIS	Department for Business, Innovation and Skills
CDVF	Community Development Venture Fund
CoFund	Business Angel Co-investment Fund
CPA	Construction Products Association
Defra	Department for Environment, Food and Rural Affairs
DECC	Department of Energy and Climate Change
DfT	Department for Transport
ECF	Enterprise Capital Funds
EFG	Enterprise Finance Guarantee
EGF	Early Growth Fund
EU ETS	EU Emission Trading System
GBI	Grant for Business Investment
ICM	Institute for Credit Management
IDAB	Industrial Development Advisory Board
LEP	Local Enterprise Partnership
NSARE	National Skills Academy for Railway Engineering
OBNi	Overseas Business Networks Initiative
RCT	Randomised Controlled Trial
RDA	Regional Development Agency
RGF	Regional Growth Fund
RSA	Regional Selective Assistance Scheme
SFIE	Selective Finance for Investment in England
SFLG	Small Firms Loan Guarantee
SIF	Single Investment Fund
SMEs	Small and Medium Sized Enterprises
UKGIB	UK Green Investment Bank
UKTI	UK Trade and Investment
WIDAB	Welsh Industrial Development Advisory Board



Department  
for Business  
Innovation & Skills

## Assisted Areas in Great Britain, 2007 to 30 June 2014



Produced by BIS

Notes:

1. Please note that some EC treaty Article numbers changed as a result of the Lisbon treaty. Article 107 was previously numbered Article 87.
2. Northern Ireland has full 107(3)(c) coverage. Highlands & Islands had 107(3) (a) coverage until 31 December 2010. Coverage then changed to 107(3)(c) with a maximum aid intensity of 20%.
3. The Assisted Areas map came into force in February 2007 and was intended to remain so until the end of December 2013. Following the publication in June 2013 of the Commission's revised Guidelines, Guidelines on Regional State Aid for 2014-2020<sup>1</sup>, it was extended until 30 June 2014.

<sup>1</sup> 2013/C 209/01



# Industrial Development Act 1982

## Joint Report by the Secretary of State for Business, Innovation and Skills, the First Minister of Scotland and the Welsh Ministers

### Introduction

1. As required by Sections 11 and 15 of the Industrial Development Act 1982, this Report for the year ended 31 March 2014 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 devolution legislation (the Scotland Act 1998, the Government of Wales Act 1998, S.I. 1999/672 and the Government of Wales Act 2006) some powers under the Act have been exercised from 1 July 1999 in Scotland by the First Minister of Scotland and from 25 May 2007 in Wales by the Welsh Ministers. Over the period covered by this Report these powers were exercised concurrently throughout the UK by the Secretary of State for Business, Innovation and Skills (BIS).

### Assistance Under Section 7

3. Section 7 of the Industrial Development Act 1982 provides for financial assistance to industry to be given in the Assisted Areas of Great Britain. The purpose of providing assistance under Section 7 is to encourage sound projects which will improve sustainable employment opportunities in the Assisted Areas (see the map on page vii).

4. The Assisted Areas map came into force in February 2007 and was intended to remain so until the end of December 2013, in line with the provisions of the European Commission's Guidelines on National Regional Aid for 2007-2013<sup>1</sup>. In June 2013 the Commission's revised Guidelines, Guidelines on Regional State Aid for 2014-2020<sup>2</sup>, allowed Member States to extend the life of their existing maps until 30 June 2014. The UK duly did so. During the course of 2013/14 the Government consulted on a new Assisted Areas map, publishing a final response to the consultation exercise on 30 April 2014<sup>3</sup>. The new UK Assisted Areas map has now been formally approved by the European Commission and came into force on 1 July 2014.

5. The powers to provide regional assistance under Section 7 were in England exercised by the Secretary of State for Business, Innovation and Skills, in Scotland by the First Minister of Scotland and in Wales by the Welsh Ministers.

### Section 7 Support in Scotland

6. Regional support in Scotland is provided under the Regional Selective Assistance (RSA) scheme. This support has in the past been provided using the powers in Section 7. However, with effect from 1 October 2009 a new Scottish Enterprise RSA scheme was introduced which delivers regional support under Section 8 of the Enterprise and New Towns (Scotland) Act 1990. This scheme is assessed under the same criteria as the comparable Section 7 scheme. The exercise by the First Minister of Scotland of powers under the Enterprise and New Towns (Scotland) Act does not form part of this Report.

7. No Section 7 applications were received or offers accepted in the current year.

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<sup>1</sup> 2006/C 54/08

<sup>2</sup> 2013/C 209/01

<sup>3</sup> <https://www.gov.uk/government/consultations/assisted-areas-map-2014-to-2020-stage-2>

## Section 7 Support in Wales

8. Regional support in Wales was provided under the Repayable Business Finance Scheme. For the period 1 April 2013 to 31 March 2014 applications greater than £1 million were considered under Section 7 while other applications were considered under the powers contained in Section 1 of the Welsh Development Agency Act 1975. The use of the powers in the 1975 Act does not form part of this Report.

9. During the year, 13 offers greater than £1 million under the Repayable Business Finance Scheme were accepted. These offers totalled £30 million and were in respect of projects having total eligible costs of £119 million and forecast to create 1,567 new jobs and safeguard a further 415 jobs, at an average cost per job of £15,000.

## Section 7 Support in England

10. Assistance under Section 7 is provided in England via the Regional Growth Fund (RGF – new applications) and the Grant for Business Investment scheme (GBI – older cases).

11. RGF uses Section 7 as one of a range of powers for providing support for rebalancing the economy and promoting growth. The Fund is covered below (paragraphs 96-104).

12. GBI was the English national scheme of regional assistance. It was launched in October 2008 to replace the previous scheme, Selective Finance for Investment in England (SFIE). The re-launch reflected changes made to the relevant State aid rules in the European Commission General Block Exemption Regulation (Regulation (EC) 800/2008) which came into effect in August 2008.

13. Following the formation of the Coalition Government in May 2010 a number of significant changes to the GBI scheme were announced. These reflected the planned closure of the Regional Development Agencies (RDAs), which acted as the primary delivery mechanism for the scheme, and the decision to scale back the scope of the GBI scheme by closing it to all but large scale cases on an exceptional basis. These changes were announced in the Local Growth White Paper (Cm 7961) and the scheme was closed to small projects with effect from 1 February 2011.

14. With the decision to close the GBI scheme to new applications except those from large exceptional projects, two additional criteria were added to determine whether individual cases qualify as exceptional. Thus all new GBI projects need to demonstrate either that they mitigate or avoid significant local labour market shocks or that they address a significant market failure before being eligible for support. Large cases are defined as those in which the amount of grant sought is £2 million or more.

15. There were no new applications under the GBI scheme on its revised exceptional basis in 2013/14, although one offer was made in relation to an earlier application and payments continued to be made under offers of support made earlier, including those made by the RDAs. Following the closure of the RDAs all activities relating to the administration of the GBI scheme using Section 7 of the Act were transferred to the Department for Business, Innovation and Skills in September 2011. These relate to monitoring existing projects, assessing claims and making payments to businesses and conducting post-completion monitoring on closed cases. At the end of March 2014, there were 75 live projects being administered in this way under Section 7. Over the year, assistance of £44.4 million was given to these projects (including SFIE cases). Summary details of payments made under the scheme in 2013/2014 are contained in **Appendix 4**.

16. In addition to large exceptional cases the GBI scheme was, however, still open to new applications for support under arrangements announced in October 2010 by the Department of Energy and Climate Change (DECC) to meet the needs of offshore wind manufacturers looking to locate new facilities in Assisted Areas in England, by providing up to £60 million to support the development of offshore wind manufacturing at coastal locations. During the year DECC broadened the scope of the arrangements to include ports or landowners at coastal locations on the condition that support be contingent on attracting major manufacturing

activity in the offshore wind sector. DECC also set a closing date for all applications of 15 October 2013. While no expenditure under these arrangements was made in 2013/14, DECC remains in discussion with a number of companies interested in investing in the UK under these arrangements.

## **Assistance Under Section 8**

17. Section 8 of the Industrial Development Act 1982 provides for financial assistance to business to be given to businesses outside the Assisted Areas.

### **Section 8 Financial Limit**

18. Section 8(5) of the Industrial Development Act initially limited the sums that could be paid and the liabilities that could be given under any guarantees by the Secretary of State under Section 8 to £1,900 million and provided that the limit could be increased by Statutory Instrument on not more than four occasions by tranches of up to £200 million each. This limit has since been increased by two further acts, the Industrial Development (Financial Assistance) Act 2003 and the Industry and Exports (Financial Support) Act 2009. It currently stands at £12,000 million, though the Secretary of State has the power to increase it by Statutory Instrument on four occasions by up to £1,000 million each time.

19. As at 31 March 2014 the total accumulated expenditure under Section 8 amounted to £5,386 million. This includes expenditure of £409 million incurred during 2013/2014. The liabilities given under guarantees by the Secretary of State under Section 8 stood at £552 million at 31 March 2014.

### **Section 8 Schemes – General**

20. Assistance to business development continued to be given under a number of measures under Section 8 during the year.

21. Table 1 provides a detailed breakdown of the schemes of support that rely on Section 8, including those that provide assistance in the form of a loan or a loan guarantee. Further detail on each scheme is set out below (paragraphs 25 to 95).

22. Table 1 sets out in the final column the total financial commitment made to each scheme. Some schemes have no ceiling; these have been starred (\*). In these cases the figure given indicates the total contractual commitment under the awards of assistance that have been made. The first and second columns list the total amounts paid in 2013/2014 and the accumulated total paid to date under each scheme. Columns four and five list the guarantees given over 2013/2014 and the total accumulated guarantees as they stood at 31 March 2014. Schemes that are closed for new applications are included in the Table where there is expenditure still being made or guarantees or liabilities outstanding against them. Schemes are divided by the type of support they provide:

- Grant schemes: i.e. those where a payment is made which will not need to be repaid as long as certain conditions are met;
- Schemes under which guarantees, including contingent liabilities, are provided, i.e. promises by the Secretary of State to make a payment if a certain set of conditions occur;
- Schemes under which equity-type investments are made by the Department. Such investments remain as an asset on the Department's books with the asset being realised at the end of the scheme; and
- Schemes which provide loans.

23. As the main purpose of Table 1 is to measure Section 8 expenditure and liabilities against the statutory limit set out in paragraph 18 above, it does not record income such as returns arising from equity investments, apart from sums received by way of the repayment of loans or the repayment of principal sums paid to meet a guarantee.

**Table 1: Summary of Section 8 Support**

	<b>Scheme</b>	<b>Expenditure for financial year 2013/14 £k</b>	<b>Accumulated Expenditure up to 31/03/14 £ k</b>	<b>Guarantees for financial year 2013/14 £k</b>	<b>Accumulated Guarantees for financial year 2013/14 £k</b>	<b>Total Commitment £k</b>
<b>Grants</b>	Selective Financial assistance/ GBI for SMEs (Closed)	799	30,626	-	-	45,838*
	Regional Selective Assistance (Scotland) – (Closed)	62	2,064	-	-	4,452*
	Regional Growth Fund	113,129	180,722	-	-	3,200,000 <sup>1</sup>
	Vehicle Scrappage Scheme (Closed)	-	380,424 <sup>2</sup>	-	-	400,000
	Support for City Deals	2,610	2,610	-	-	8,230
	Local Enterprise Partnerships Capacity Fund	1,000	2,000	-	-	4,000
	GrowthAccelerator	70,905	108,776	-	-	183,926
	NSARE – Traction and Rolling Stock Training Academy	439	439	-	-	3,500
	Prompt Payment Code	29	29	-	-	29
	Mobilising Non-exporting SMEs Pilot	26	26	-	-	26
	Compensation for the indirect costs of the EU Emissions Trading System	31,707	31,707	-	-	190,000
<b>Guarantees and Contingent Liabilities</b>	Enterprise Funds: Small Firms Loan Guarantee (Closed)	3,024	991,636	-	36,900	1,028,536
	Enterprise Finance Guarantee Scheme	25,370	101,800	52,425	137,341	244,728
	Automotive Assistance Programme (Closed) <sup>3</sup>	-	-	-	378,000	1,586,000 <sup>4</sup>
<b>Equity Investments</b>	Early Growth Fund (Closed)	1,132	31,732	-	-	31,732*
	Community Development Venture Funds (Closed) <sup>5</sup>	-	19,960	-	-	20,000
	Aspire Fund	1,219	4,650	-	-	12,500
	Enterprise Capital Funds	28,208	169,059	-	-	302,833
	Capital for Enterprise Fund	678	45,478	-	-	50,000
	VC Catalyst Fund	1,555	1,555	-	-	25,000

	<b>Scheme</b>	<b>Expenditure for financial year 2013/14 £k</b>	<b>Accumulated Expenditure up to 31/03/14 £ k</b>	<b>Guarantees for financial year 2013/14 £k</b>	<b>Accumulated Guarantees for financial year 2013/14 £k</b>	<b>Total Commitment £k</b>
<b>Loans</b>	Green Investment Bank <sup>6</sup>	-	230,000 <sup>7</sup>	-	-	775,000 <sup>8</sup>
	Digital Region Ltd	13,192	18,906	-	-	51,000
	Start-Up Loans Scheme	70,200	85,700	-	-	394,000
	Business Finance Partnership (small business tranche)	39,567	41,977	-	-	87,000
	Business Bank Investment Programme	4,418	4,418	-	-	300,000
Other Closed Schemes <sup>9</sup>		-	2,899,889	-	-	2,899,889
<b>Totals</b>		<b>409,269</b>	<b>5,386,183</b>	<b>52,425</b>	<b>552,241</b>	<b>11,848,219</b>

<sup>1</sup> This figure reflects the full revised RGF budget, only part of which will be defrayed under Section 8, and which is now due to be spent from 2011-12 to 2016-17.

<sup>2</sup> This figure is lower than that reported in 2012/13 due to the reimbursement of earlier over-payments.

<sup>3</sup> It was possible to give loans under the AAP, though none were in fact provided.

<sup>4</sup> The maximum liability under the scheme, as per HM Treasury budgeting guidelines, is £1.586 billion.

<sup>5</sup> Also known as the Phoenix Fund.

<sup>6</sup> The Green Investment Bank provided both loans and equity investment.

<sup>7</sup> This figure includes £180 million committed to 4 specialist fund managers to make investments in projects in the waste and non-domestic energy efficiency sectors. Responsibility for managing these commitments has now transferred to the UK Green Investment Bank (UKGIB) which became operational in October 2012 and which thus no longer uses the powers in the Industrial Development Act. The remainder of the £230 million figure relates to the £50 million (19.2%) stake BIS acquired in Greencoat UK Wind plc in March 2013. This investment will remain with BIS and is not being transferred to the UKGIB.

<sup>8</sup> The £775 million figure represents the funding made available during 2012/13 for the UK Green Investment Bank. The Bank now has responsibility for making further commitments with the available funds.

<sup>9</sup> Schemes under which no payments were made or liabilities incurred during 2013/14.

## Section 8 Resolutions

24. Under the terms of Section 8 the Secretary of State may pay, or undertake to pay, by way of financial assistance an amount in excess of £10 million in respect of any one project when it has been authorised by a resolution of the House of Commons, though when the payment or undertaking is urgently needed at a time when it is impractical to obtain the approval of the House of Commons Ministers may proceed and subsequently lay a statement concerning the financial assistance before both Houses of Parliament. During 2013/14 four such resolutions were obtained. They are listed at Appendix 8.

## Section 8 Support in Scotland

25. On 1 January 2007, the Scottish Executive introduced a new tier of RSA for small and medium-sized enterprises (SMEs). Operating under Section 8 of the Act and the EC Block Exemption Regulation for regional aid and SMEs, it was available across all of Scotland outside the Assisted Areas. It was a discretionary grant and operated along the same lines as RSA.

26. With effect from 1 October 2009 the Scottish Government replaced this scheme with an equivalent scheme under Section 8 of the Enterprise and New Towns (Scotland) Act 1990. There have therefore been no Industrial Development Act Section 8 applications or offers since 2009/10.

## **Section 8 Support in Wales**

27. No applications for Section 8 support were received, offers accepted or payments made against existing offers in the non-Assisted Areas of Wales during 2013/14.

## **Section 8 Support in England<sup>4</sup>**

28. Financial support is provided under Section 8 by means of a number of separate schemes. Some schemes have closed for new applications but continue to make payments in respect of existing projects. Detail on each of these schemes is set out below.

### **Section 8 Schemes Open to New Applications in 2013/2014**

29. This section of the Report is structured as follows:

- Section 8 schemes operated by the British Business Bank;
- Support for local growth using Section 8; and
- Other current Section 8 schemes and miscellaneous Section 8 awards.

## **Section 8 schemes operated by the British Business Bank**

30. As part of the 2012 Autumn Statement<sup>5</sup>, the Government announced that it was creating a business bank, to address gaps in business finance by drawing together the Government's existing initiatives and deploying an additional £1 billion of capital. The Bank is expected to be operationally independent by the end of autumn 2014.

31. The British Business Bank programme is currently run directly by BIS and BIS manages the individual schemes providing business finance reported on in the following paragraphs. Once HM Government has received European Commission State aid clearance, which is expected later in 2014, the majority of the programme is expected to be transferred to the British Business Bank plc, which will operate as a Government-owned company. While the programme is run directly by BIS, BIS uses both Section 8 and powers under the Banking Act 2009, depending on the nature of the investments. Once the programme is transferred to the British Business Bank plc, it is expected to be funded using powers under the Banking Act 2009.

### *Business Finance Partnership (small business tranche)*

32. The Business Finance Partnership (small business tranche) makes money available to smaller businesses through non-bank lenders, thereby helping to diversify the available sources of finance for smaller businesses. It makes commercial investments that stimulate at least the same amount of investment from the private sector.

33. While lending to smaller businesses continues under the Business Finance Partnership, the programme itself is now closed to new applications from lenders. Seven lenders have been awarded £87 million to increase their financing to smaller businesses, which has facilitated over £240 million of lending.

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<sup>4</sup> While support for business is a devolved matter, some Section 8 schemes, particularly older schemes, cover the UK. These are covered in this section of the Report for convenience.

<sup>5</sup>[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/185453/autumn\\_statement\\_2012\\_complete.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/185453/autumn_statement_2012_complete.pdf)



### *Investment Programme*

34. The British Business Bank's Investment Programme addresses long-standing gaps in the finance market for smaller business and promotes greater choice in their supply of lending.

35. The Programme, which builds on the small business tranche of the Business Finance Partnership (see paragraphs 32-33), was launched in April 2013 and makes commercial investments that stimulate at least the same amount of investment from the private sector, encouraging new lenders in to the market and the growth of smaller lenders.

36. To date, commitments of £83 million have been announced, which will facilitate up to £575 million of lending to smaller businesses.

### *Enterprise Finance Guarantee*

37. The Enterprise Finance Guarantee (EFG) scheme is a loan guarantee scheme to facilitate additional lending to viable small and medium size enterprises lacking adequate collateral for a normal commercial facility. EFG may be used to facilitate loans, overdrafts and invoice finance for working capital and investment. It is available to businesses throughout the United Kingdom with an annual turnover of up to £41 million seeking credit of between £1,000 and £1 million (increased to £1.2 million after the end of 2013/14), repayable over a period of 3 months to 10 years.

38. The Government provides the lender with a 75% guarantee on a portfolio of individual loans. In the event of a loan defaulting and all other available security being realised, the lender can claim against the guarantee, up to a maximum claim limit of 20% of their total annual EFG lending (the claim limit was raised from 13% for 2012/2013 lending and remained at this level in 2013/2014). The claim limit was introduced to ensure commercial rigour in the lending decision.

39. As at 31 March 2014, 21,463 loans with a value of £2.19 billion had been guaranteed through EFG. The outstanding loan book was £875 million with the liability of BIS capped at £245 million. Also as at 31 March 2014, expenditure of £101.8 million had been defrayed under the scheme.

### *Enterprise Capital Funds*

40. Enterprise Capital Funds (ECFs) were established in 2006. They are designed to be commercial funds, investing a combination of private and public money in small high-growth businesses that are seeking up to £2 million of equity finance. Up to two thirds of the capital in each ECF is provided by BIS, in return for a preferred return (3%), and a limited share in any profits of the fund. The preferred return is intended to cover the BIS cost of capital and in September 2012 was reduced from 4.5% to reflect lower gilt yields. The profit share from successful funds is intended to offset any losses on unsuccessful investments.

41. Further fund mandates were awarded in 2013/2014 bringing the total number of operational funds to fifteen. The Department's commitment to these funds totals £302.8 million. As at 31 March 2014, a total of £169 million had been drawn from BIS.

### *VC Catalyst Fund*

42. The £25 million Venture Capital Catalyst Fund (VC Catalyst Fund) was announced at Budget 2013 as an extension to the ECF programme. The objective of the VC Catalyst Fund is to support the UK's innovative, high growth small and medium sized businesses by investing in commercially viable venture capital funds. The Fund makes investments of around £5 million to £10 million, co-investing on the same terms as private investors. To date, two commitments totalling £13 million have been made with investment capacity of around £150 million. Following the end of the financial year, the Fund was extended to £100 million.

### *Aspire Fund*

43. The Aspire Fund was established in 2008, with a commitment of £12.5 million from government alongside matched co-investment from the private sector. The Aspire Fund is targeted at high growth women-led businesses, seeking equity investment of between £100,000 and £2 million. The aim of the fund is to encourage businesswomen to seek appropriate equity finance and demonstrate to the business community that investment opportunities exist in businesses run by women. As at 31 March 2014, £4.65 million has been drawn down from the Department's investment commitment of £12.5 million.

### *Capital for Enterprise Fund*

44. The Capital for Enterprise Fund, announced on 14 January 2009, targets businesses whose growth has been stalled by a lack of available funding either because they are over-gearred or under-capitalised. The fund aims to provide equity and quasi equity of £200,000 to £2 million for companies meeting the EU definition of an SME.

45. As at 31 March 2014, £45.5 million of the £50 million government commitment had been drawn down by the Fund, with £64.6 million, including other investors' money, invested in 38 companies.

### *Start-Up Loans Scheme*

46. The Start-Up Loans scheme, administered by the Start-Up Loans Company, provides loan capital and business support and advice to prospective entrepreneurs who would not otherwise be able to access start-up finance. The scheme was piloted for 18-24 year olds over 2012/2013 and delivered over 15,000 loans. The scheme is being rolled out throughout the UK over 2013/2014-2014/2015 with no upper age restrictions.

47. Sufficient funding has been allocated to deliver around £85 million of new lending a year until the end of 2018/19, plus administrative support and mentoring, funded from new capital, repayments and interest. In 2013/2014 there were 13,990 loans provided by the scheme with a value of £70.2 million.

### *Business Angel Co-Investment Fund*

48. The Business Angel Co-Investment Fund (CoFund) was established in 2011 with a grant of £50 million from the RGF. A further £50 million was announced as part of the Budget in March 2013 to expand the CoFund to a £100 million fund. The CoFund is designed to make equity investments alongside syndicates of business angels in small and medium-sized enterprises identified as having high growth potential. Expenditure under the Co-Fund in 2013/14 is recorded as RGF expenditure.

## **Support for local growth using Section 8**

### *Local Enterprise Partnership Capacity Fund*

49. In order to help Local Enterprise Partnerships (LEPs) improve their understanding of the issues facing businesses in their areas and to allow them to develop and prioritise action plans, in January 2011 BIS announced its plans for a £4 million Capacity Fund. This funding is available over four years, at £1 million per year, ending in 31 March 2015. The Fund is being provided under Section 8 of the Act. All LEPs who have sought recognition by BIS are eligible to receive money from the Capacity Fund.

50. By March 2012 BIS had confirmed to each LEP its individual allocation (£76,800) which is to be spent by 31 March 2015. Of the total £4 million funding, £2 million has been drawn down by the LEPs, £1 million during 2013/14.



### *Support for City Deals*

51. On 5 July 2012 the Government announced<sup>6</sup> the devolution of new powers to England's largest cities in a series of unique deals that will help them invest in growth, improve local workers' skills and create jobs, support local businesses, control budgets and improve critical infrastructure.

52. City Deals are a mechanism to achieve this aspiration by giving England's cities new powers and freedoms. Deals are agreements between Government and a city that give that city the ability to take charge of and responsibility for decisions that affect their area, including helping businesses grow, creating economic growth and deciding how public money should be spent. Each deal is bespoke and reflects the different needs of individual places but every deal aims to:

- give cities the powers and tools they need to drive local economic growth;
- unlock projects or initiatives that will boost their economies; and
- deliver a step change in the governance arrangements.

53. Government support for these deals uses a range of financial powers, depending on the nature of each deal. In some cases, use is being made of Section 8.

### City Deals – First Wave

54. The cities being supported in the first wave are:

- Birmingham
- Bristol
- Leeds
- Liverpool
- Newcastle
- Nottingham
- Sheffield
- Manchester

55. The cities listed above have estimated that they will deliver 175,000 jobs over the next 20 years and 37,000 new apprenticeships.

56. As set out in the Report for 2012/13,<sup>7</sup> BIS has agreed to provide support under Section 8 of the Act for specific elements of the city deals with Nottingham, Liverpool and Bristol.

57. The total Government commitment under Section 8 for this support is £8.23 million. As at 31st March 2014 a total of £2.61 million had been paid.

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<sup>6</sup> <http://www.publications.parliament.uk/pa/cm201213/cmhansrd/cm120705/wmstext/120705m0001.htm>

<sup>7</sup> HC 449. See paragraph 47.

## City Deals – Second Wave

58. On 29 October 2012, a second wave of City Deals was launched, with 20 areas invited to come forward with proposals along the lines of the deals agreed during the first wave.

59. The 20 areas chosen are:

- Bournemouth
- Greater Brighton
- Cambridge
- Coventry & Warwickshire
- Greater Ipswich
- Hull & Humber
- Leicester & Leicestershire
- Middlesbrough and the Tees Valley,
- Milton Keynes
- Greater Norwich
- Oxfordshire
- Plymouth and the South West Peninsula
- Portsmouth and Southampton
- Preston, South Ribble and Lancashire
- Thames Valley and Berkshire
- Southend
- Stoke and Staffordshire
- Swindon and Wiltshire
- Sunderland
- Wolverhampton and the Black Country.

60. By 31 March 2014, 17 deals had been agreed; BIS has yet to offer support under Section 8 in respect of any of these deals.

## **Other current Section 8 schemes and miscellaneous Section 8 awards**

### *GrowthAccelerator*

61. GrowthAccelerator is an England-wide programme to help 26,000 businesses with potential for rapid and sustainable growth achieve their ambition. Over 14,000 firms have joined the programme since it was launched in May 2012. The evidence shows that fast growing small businesses generate a very high proportion of economic growth and jobs in the UK.

62. The programme helps high growth potential small businesses by providing them with the expertise, insight and networks to achieve sustainable growth. It diagnoses their needs and delivers a holistic package of support that includes:

- specialist business coaching tailored to addressing their specific needs (raising finance, securing new customers etc);

- master-classes and an alumni network to facilitate peer to peer learning;
- grants to contribute to the cost of leadership and management development;
- fast access to external sources of help such as: trusted providers of business advice (e.g. UK Trade & Investment, Technology Strategy Board and private providers); business and investor networks (e.g. angels); and business incubators.

63. Helping small businesses with potential for growth to overcome barriers can make a significant contribution to a private sector-led recovery. The aim is that GrowthAccelerator will deliver at least £2.2 billion of additional gross value to the economy whilst also creating over 55,000 new jobs.

64. Expenditure in 2013/2014 on the programme was £70.9 million.

#### *Growth Vouchers*

65. Growth Vouchers is an England-wide programme to test what strategic business advice works best to help small businesses grow. The programme will use a series of Randomised Controlled Trials (RCTs) to collect empirical evidence on a variety of business support services to explore what role Government should play. Each business that receives a Growth Voucher may use it to subsidise the purchase of strategic business advice from private sector suppliers in the following areas:

- raising finance and managing cash flow;
- marketing, attracting and keeping customers;
- making the most of digital technology;
- improving leadership and management skills; and
- recruiting and developing your staff.

66. The initial phase of the Growth Voucher programme offers a subsidy of 50% up to the value of £2,000 per business to help pay for external advice. Additional support is being delivered in the form of online or face to face diagnostics to help firms identify what support they need to grow their business. As the programme develops, the programme will be adjusted to test different forms of support. The £30 million programme launched on 27 January 2014 is due to end March 2015. The results of the research will be released at various stages over the lifetime of the programme but the results from the RCTs will not be published until the trials have ended in 2 to 3 years to ensure accurate growth data has been captured. There was no material expenditure under this scheme during 2013/14.

#### *Digital Region Ltd*

67. Digital Region Ltd is a company formed to provide high-speed broadband coverage to South Yorkshire. Yorkshire Forward (the former Yorkshire and Humber RDA) held a 50% shareholding in the company which passed to BIS prior to Yorkshire Forward's closure in March 2012.

68. During 2013/2014 BIS provided a total of £13.2 million to the company using Section 8 by way of loans. This was in part as its contribution to working capital during a procurement exercise designed to acquire a new network operator who could place the network on a sustainable footing. However, this exercise was unsuccessful, leaving the shareholders with no option other than to close the network and dissolve the company. The network is due to cease operating in August 2014.

#### *Prompt Payment Code – Institute for Credit Management*

69. The Prompt Payment Code was established in December 2008 by the Institute for Credit Management (ICM) at the request of the Government. The aim of the Code is to encourage companies to commit to good practice in their supplier relationships, and by doing so improve business cashflow and working capital. The Government has been actively encouraging large companies to sign up to the Prompt Payment Code.

70. A grant offer of up to £28,620 was made on 19 February 2013 to ICM to maintain appropriate levels of technical and administrative support for the Code in the light of increased interest and activity. The grant was used to fund additional staff costs for administering the Code, to support a refresh of the Prompt Payment Code website, and to provide a review of the back-end and references process. While the funded activities took place in 2012/13, the grant was paid in 2013/2014.

#### *Compensation for the indirect cost of the EU Emission Trading System*

71. A scheme to compensate energy intensive industries for the indirect cost of the EU Emission Trading System (EU ETS) commenced in May 2013. Its objective is to support the competitiveness of such companies based in the UK by reducing the impact of the EU ETS (a Europe wide emissions reduction and trading scheme) on the costs of electricity passed through in bills from energy suppliers.

72. The scheme requires applications from businesses to demonstrate that they are electricity intensive. During 2013/14 Government paid £31.7 million under the scheme to 53 businesses.

#### *NSARE: Traction and Rolling Stock Training Academy*

73. In July 2013 the Government offered the National Skills Academy for Railway Engineering (NSARE) a repayable grant of up to £3.5 million, representing 50% of the costs to construct a new traction and rolling stock training academy in conjunction with Siemens plc to meet identified training needs across this part of the rail sector. The funding is being provided jointly by BIS and the Department for Transport.

74. As at 31 March 2014, £438,500 of the grant had been drawn down. The construction project is due for completion in May 2015, with the Academy opening in June 2015, after which repayment of the grant will commence on the achievement of agreed milestones.

#### *Mobilising Non-exporting SMEs Pilot*

75. In 2013/14 UKTI and the Construction Products Association (CPA) conducted a pilot project “Funding for Mobilising Non-Exporting SMEs”. This concluded in February 2014. Using the results of the pilot, CPA is taking forward initiatives, together with the Institute of Export to promote exporting to its SME members. Government expenditure on the pilot in 2013/14 was £26,250.

76. Following this initial pilot UKTI will be continuing to develop equivalent projects with other Trade Associations including British Water and the Royal Institute of British Architects.

## **Section 8 Schemes No Longer Open to New Applications**

### **UK Green Investment Bank**

77. The Government’s proposal to create the UK Green Investment Bank (UKGIB) was approved by the European Commission in October 2012 and the Bank became fully operational later that month.

78. The initial £775 million tranche of the Bank’s £3 billion funding became available from April 2012. In order to make the earliest possible impact in mobilising additional investment in the UK green economy, the Government decided that, in the period prior to obtaining Commission approval for the UKGIB, it would itself make use of this funding to make direct investments in appropriate green infrastructure projects using Section 8. A resolution was approved by the House of Commons on 24 April 2012 enabling the Secretary of State to commit sums in excess of £10 million to individual investments. The first financial commitments were entered into on 25 April 2012.

79. Responsibility for managing these commitments transferred to the UKGIB once it became operational in October 2012. In April 2013, a dedicated power to provide funding to the GIB came into effect with the passage of the Enterprise and Regulatory Reform Act 2013. This was followed in November 2013 by the

Statutory Instrument that designated GIB for the purposes of that Act. Funding for GIB investments is now provided under that dedicated power. Thus the Bank no longer uses Section 8.

## **The Phoenix Fund**

80. 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 Community Development Venture Fund (CDVF) which has Section 8 as a statutory basis.

81. The CDVF was created in response to a recommendation from the Social Investment Taskforce. Also known as “Bridges”, it is a £40 million fund, of which £20 million is provided by BIS, that acts as a source of venture capital to SMEs which are capable of substantial growth and which are located in the 25 most deprived local authority wards in England.

82. Since the launch of the Fund to 31 March 2014 a total of £19.96 million has been drawn down from BIS. Although a small amount of funds can still be drawn down by “Bridges” (over and above the original £20 million due to recycling provisions within the agreement), the Phoenix Fund closed to new applications on 31 March 2006.

## **Enterprise Fund**

83. 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 main elements of assistance are outlined below.

### *Small Firms Loan Guarantee*

84. The Small Firms Loan Guarantee (SFLG) scheme guaranteed loans on commercial terms to small firms with viable business proposals but which were unable to obtain conventional finance because they did not have the collateral required by the lender to secure the borrowing. By providing a Government-backed guarantee against default, the SFLG encouraged lenders to lend in cases where they would not otherwise do so. SFLG was replaced by the Enterprise Finance Guarantee (EFG) scheme with effect from 14 January 2009 (see paragraphs 37-39).

85. As at 31 March 2014, the outstanding value of the SFLG portfolio was £49 million and the liability to BIS was £36.9 million.

### *Early Growth Fund*

86. The Early Growth Fund (EGF) programme was established to encourage risk funding for start-ups and growth firms. The objective of the programme was to increase the availability of small amounts of risk capital (averaging around £100,000) for equity investment in innovative and knowledge intensive businesses, as well as for other growth businesses. As at 31 March 2014 the Early Growth Fund had drawn down £31.7 million from BIS.

## **Vehicle Scrappage Scheme**

87. The Vehicle Scrappage Scheme was announced in April 2009. The scheme aimed to provide a short term boost to the automotive industry and stimulate consumer demand in the face of falling sales. It also served to remove older vehicles from the road by encouraging consumers to invest in new, safer and potentially more environmentally friendly models.

88. Under the scheme, Government provided a £1,000 incentive, with matched funding from vehicle manufacturers (i.e. £2,000 in total), for consumers to replace a car that was at least 10 years old, or (from October 2009) a van that was at least 8 years old, with a brand new vehicle. In total, up to £400 million was allocated to the Scheme (£300 million when the scheme was announced and a further £100 million allocated in September 2009), sufficient to support up to 400,000 new vehicle sales.

89. The scheme was launched on 18 May 2009 and closed to new orders on 30 March 2010. Around 20% of all new cars registered in the UK during this period were supported by the scrappage scheme.<sup>8</sup> As a result of the scheme audit and data reconciliation, BIS received £2.27 million during 2013-14, balancing previous over-payments.

## **Automotive Assistance Programme**

90. The Automotive Assistance Programme (AAP) commenced on 27 February 2009. The programme was aimed at supporting up to £2.3 billion of investment in the UK automotive sector, through the provision of loan guarantees, or in exceptional cases, loans.

91. The AAP supported automotive companies affected by the recession and aimed to ensure continued investment by these companies in the development of cutting edge green technologies, contributing to CO<sub>2</sub> reduction and the low carbon future of the industry, as well as the advancement of research and development in UK vehicle manufacturing, and the creation and safeguarding of jobs.

92. The AAP provided a loan guarantee of £378 million to support a £450 million 5-year loan provided by the European Investment Bank to Ford Motor Company Limited. The loan was fully drawn in September 2010 and is due to be repaid on 11 September 2015.

## **Grant for Business Investment**

93. The GBI scheme (see paragraphs 12-16) provided financial support for SMEs outside the Assisted Areas under Section 8. Such support was provided under the SFIE (SME) scheme until October 2008 and the introduction of the GBI (SME) scheme. The changes made to the GBI scheme (outlined in paragraphs 13 to 15 above) applied to the GBI (SME) scheme also which closed to new applications on 1 February 2011.

94. Following the closure of the RDAs all activities relating to the administration of the GBI scheme using Section 8 of the Act were transferred to BIS in September 2011. These relate to monitoring existing projects, assessing claims and making payments to businesses and conducting post-completion monitoring on closed cases. At the end of March 2014, there were 10 live projects under Section 8 being administered in this way. Over the year, assistance of £799,000 was given to these projects under Section 8.

95. The total support provided over the period is at **Appendix 4**.

## **The Regional Growth Fund**

96. The Regional Growth Fund (RGF) was launched in the Local Growth White Paper in October 2010, and forms an important element of the Government's approach to rebalancing the economy and promoting growth. In practice, the RGF is now the main channel for providing financial assistance, particularly regional aid, to business in England.

97. It is a £3.2 billion fund operating across England from 2011 to 2017. It supports projects and programmes that lever private sector investment to create economic growth and sustainable employment.

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<sup>8</sup> Society of Motor Manufacturers and Traders.



98. The Fund uses both Section 7 and Section 8 as a legal basis, as appropriate, in addition to other relevant powers (see paragraph 103), depending on the nature of the project or programme of projects being supported.

99. The RGF is a flexible and competitive fund, with bidders able to submit bids either as a project or a programme. It has a minimum bid threshold of £1 million. There have so far been five bidding rounds. On 11 July 2013 Ministers announced selected bidders from Round 4, which had been launched on 17 January 2013. £506 million was awarded to these schemes – £210 million in new money and £296 million of recycled money from bids that had withdrawn from the first three rounds. A fifth round, with £300 million available to bidders was launched on 11 October 2013 and closed to applications on 9 December 2013. Over 130 bids were received. The selected bids from this round were announced on 10 April 2014.

100. Ministers reserve the option to use recycled RGF funding flexibly in order to respond quickly to economic shocks and opportunities. This is in exceptional circumstances only and takes place outside the normal bidding process. Applications for exceptional RGF support are expected to align with the ongoing objectives of the RGF, as well as demonstrating the exceptionality and urgency of the application.

101. Beneficiaries in rounds 1 to 5 have been offered a total of £2.9 billion and pledged to lever in £16 billion of private sector investment, creating or safeguarding over 573,000 jobs. Of this £2.9 billion, £1.2 billion was offered directly to firms to assist individual projects and £1.7 billion to programmes to help support small and medium sized enterprises in local areas, largely through the award of smaller grants.

102. The RGF total commitment of £3.2 billion reflects the full RGF budget, only part of which will be defrayed under Sections 7 and 8.

103. Expenditure under the Fund in 2013/2014 included £113.2 million incurred under Section 8 and £120.3 million under Section 7. The remainder was provided under the Science and Technology Act 1965, the Housing Grants, Construction and Regeneration Act 1996 and the Banking Act 2009.

104. More information on RGF support is set out at **Appendix 6**. An Annual Monitoring Report (AMR) on the RGF is also published. The AMR for 2014, covering progress on Rounds 1, 2 and 3, is due to be published shortly.

## **Assistance Under Sections 11 and 12**

105. Section 11 of the Industrial Development Act 1982 allows the Secretary of State to make provision for giving advice to those carrying on, or proposing to carry on, a business. Section 12 enables the Secretary of State to give grants or loans to promote the practice of engineering, to encourage and improve links between industry and education and to encourage young persons and others to take up careers in industry or pursue appropriate educational courses. Under the terms of the 1982 Act the Secretary of State is required to report to Parliament on the exercise of his powers under Section 11 on an annual basis. This section of the Annual Report also covers Section 12 expenditure for the sake of completeness.

## **UK Trade and Investment (UKTI)**

106. UKTI used the powers in Section 11 of the Act to fund the delivery of international trade services in the English regions to the value of £28.5 million in 2013/2014. Comparable figures in previous years are (in £million):

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2007/2008	16.2
2008/2009	17.2
2009/2010	18.3
2010/2011	18.3
2011/2012	19.6
2012/2013	24.3

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107. The funding was used to pay regional business support organisations in England to provide teams of specialist international trade advisers. There is a separate team in each region and the advisers deliver UKTI support to businesses in their respective regions.

## **UK Export Finance**

108. UK Export Finance uses the powers in Section 11 of the Act to support the activities of its network of export finance advisers. UK Export Finance's export finance advisers act as local points of contact to introduce exporters and UK businesses with export potential to finance providers, credit insurers, brokers, trade support bodies and sources of government support. In 2013/2014 the cost of supporting such activities in the English regions, Scotland, Wales and Northern Ireland amounted to £189,350.

## **Overseas Business Networks Initiative**

109. On 12 November 2012, the Prime Minister announced plans for a programme to strengthen the capability of the UK's global business to business support network. This programme, the Overseas Business Networks Initiative (OBNi), aims to create a global network of business-led organisations providing practical support to UK businesses through overseas British Chambers of Commerce and Business Groups in 41 markets worldwide. The OBNi is facilitated and led by a partnership of UKTI, the Foreign and Commonwealth Office, and the British Chambers of Commerce.

110. UKTI used the powers in Section 11 of the Act to fund the development of the network and to provide business support services overseas to the value of £8.35 million in 2013/14 through this programme. The funding is used to pay business support organisations in overseas markets and the British Chambers of Commerce in England.

## **Business Support Helpline**

111. The Business Support Helpline (formerly the Business Link Helpline) was launched in September 2011 to provide a digital assistance service and support people through the transition from a regional face-to-face service to on-line support. The total cost of the Helpline service in 2013/2014 was £2.28 million. This was defrayed using Section 11. During this period the Helpline has handled 32,963 in-bound calls from new start-ups and existing businesses and assisted 5,934 businesses with more complex needs.

## **Promoting Enterprise Culture**

112. BIS provided funding in 2013/14 under Section 12 to support activities to raise awareness of and ambition for enterprise as an employment option and to improve awareness of and access to the support available to start a business. This included:



- £360,000 for the Entrepreneurs and Educations Programme to produce more innovative managers, teachers, students, graduates and researchers;
- £400,000 for the Premier League Enterprise Academy to secure the involvement of every Premier League Club in the delivery of enterprise education;
- £50,000 each for Young Enterprise ‘Tenner Challenge’, Peter Jones Foundation for ‘Tycoons in Schools’ and InspirEngage;
- £50,000 for the Enterprise Village web resource and events for schools and teachers;
- £30,000 to develop the Founders 4 Schools network with local schools; and
- £935,000 for the National Association of College and University Entrepreneurs to build a network of enterprise societies to ensure students in Further and Higher Education can access enterprise support and to improve links between SMEs and graduates.

113. In addition, funding was provided for related research, namely £50,000 to InspirEngage for mapping and evaluating enterprise education programmes.

114. The other strand of Government activity in this area is the promotion of best practice through the Enterprising Britain Awards. Young Chamber was provided with £50,000 to launch and deliver the 2013 Awards, which concluded successfully in November 2013. Following evaluation and discussions in Quarter 1 2014, Young Chamber was awarded a contract for a further £50,000 to launch and deliver the 2014 awards.

## **Assistance Under Section 13**

### **Improvement of Basic Services**

115. Section 13 allows the Minister in charge of any Government department to make grants or loans where adequate provision has not been made for the needs of any Assisted Area in respect of a basic service for which that department is responsible. Basic service means the provision of facilities for transport (whether by road, rail, water or air), or of power, lighting, heating, water, sewerage, sewage disposal, or any service or facility on which the development of the area in question, and in particular of industrial undertakings therein, depends.

116. In 2013/2014 the Welsh Government did not approve any grant applications under Section 13. There were no payments made in respect of completed projects.

117. Following a review by Ministers of Defra-funded schemes, from 1 September 2007 grants under Section 13 towards the provision of water and sewerage infrastructure are no longer available.

118. From 2013/2014 DfT has not approved any grant applications under Section 13 and no payments have been made in respect of completed projects. This was due to changes in budget allocation and the lack of engineers to appraise cases and sign off payments.

## **Assistance Under Section 14**

119. Section 14 of the Act gives the Secretary of State the power to provide, or facilitate the provision of, premises for businesses in Assisted Areas. There was no expenditure under this Section in 2013/2014.

## Assistance Under Part III Of The Industry Act 1972

### The Home Shipbuilding Credit Guarantee Scheme

120. The Home Shipbuilding Credit Guarantee Scheme closed to new applications on 1 October 2004 (with 5 April 2005 being the final date for signature on guarantee contracts). The scheme guaranteed loans provided by commercial banks for the building, completion or alteration of ships, and mobile offshore installations. It allowed banks to provide ship-owners with loans at floating rates or fixed Commercial Interest Reference Rates for individual borrowing up to a maximum repayment period of 12 years. Loans were made in pounds sterling, US dollars, Euros or a combination of these currencies.

121. The Statement of Guarantees for the year to 31 March 2014 is as follows (2012/2013 figures in brackets):

**Table 3**

	No. of Guarantees	Amount of Principal Guaranteed (£)
Guarantees offered in 2013/2014	0 (0)	0 (0)
Repayments in year 2013/2014	2 (0)	578,817 (0)
Guarantees current on 31 March 2014	2 (4)	1,330,595 (2,182,731)

122. In the year to 31 March 2014 there were no payments of interest equalisation. In 2012/13 such payments had totalled £11,305. These were paid under the authority of Section 25 of the Industry Act 1975.

## Reports of the Industrial Advisory Boards

### Welsh Industrial Development Advisory Board (WIDAB)

*Report by the Chair of the Welsh Industrial Development Advisory Board*

123. The Welsh Industrial Development Advisory Board was set up under Section 13 of the Welsh Development Agency Act 1975 and continues to advise Welsh Ministers on applications for Repayable Business Finance, where the level of support requested is in excess of £1 million and is to be provided under Section 7 of the Industrial Development Act 1982.

124. The Board met on 7 occasions during the year to consider 14 applications for financial support. The Board recommended that support of £49 million be offered to assist £296 million of eligible project costs which was expected to create 1,136 jobs and safeguard 1,246 jobs, at an average cost per job of £20,486.

125. I would like to thank members for all their support of the activities of the Board over the past year, their contribution is greatly appreciated.

**VALERIE BARRETT**

**Chair**

## **Industrial Development Advisory Board (IDAB)**

126. IDAB is appointed under Section 10 of the Industrial Development Act 1982 to advise the Secretary of State on the exercise of his functions under Sections 7 and 8 of that Act. The main work of the Board is to advise on large business investment decisions being considered by the Department or on new schemes of support being introduced under Sections 7 and 8.

### *Report by the Chairman of the Industrial Development Advisory Board*

127. The Board's core role has continued to be the provision of independent commercial and financial advice to Ministers and the Department. During 2013/14 the Board met on eleven occasions. Twice during the year we departed from our usual schedule of monthly meetings to hold additional sessions to handle the flow of Regional Growth Fund (RGF) cases coming to the Board.

128. Under the Terms of Reference agreed with Ministers in early 2013<sup>9</sup> the Board evaluates key RGF cases that have come through a normal bidding round – cases seeking aid of £10 million or more or from applicants that have had cases previously considered by the Board or those on which the Department would like to have our views.

129. In addition IDAB considers all applications seeking £2 million or more under the “exceptional” RGF arrangements introduced in 2012/13 to allow Ministers the option of using RGF funding to respond quickly on an exceptional basis to economic shocks and opportunities outside the normal bidding process. We typically evaluate these applications twice; the first time prior to the in principle decision to grant aid and the second following due diligence on the application before the final aid award.

130. This was by some length the busiest programme of work for the Board. It considered 26 RGF cases in detail, across rounds 1-4 and exceptional cases, as well as providing advice on the preliminary assessment of a range of round 5 bids. In addition, we considered four non-RGF cases, two new schemes of support under Section 8 of the Act and provided advice on two important business support policy issues. In some instances, cases came before us on more than one occasion.

131. As with last year, the applications for support considered by the Board covered a significant range of economic activity, from the major automotive manufacturers to the chemicals sector, pharmaceuticals, mining, food production and financial services – the last in connection with RGF-funded programmes to provide asset-based support for small and medium sized firms.

132. In a significant minority of cases (around one in three) the Board advised against providing the support sought by the applicant, did not agree with the way forward proposed by the Department or suggested the inclusion of additional stringent conditions as part of the process of awarding the aid sought. The aim of the Board is that its commercial and financial advice remains rigorously independent and ensures that public funds are used only in the most effective of ways.

133. Advice on RGF cases is also provided by a separate Independent Advisory Panel, chaired by Lord Heseltine. Professor Chris Higson, a member of IDAB, and I also sat on this Panel during the year.

134. The Board was invited to nominate members who could represent it on the Investment Panel established to advise on applications under the British Business Bank Investment Programme, a £300 million fund aimed at promoting diversity in the finance community lending to SMEs. Chris Higson, Bill Lazarus and Philip Sturrock kindly undertook this role for the Board over the course of the year.

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<sup>9</sup> <https://www.gov.uk/government/organisations/industrial-development-advisory-board/about/terms-of-reference>

135 During the year two members – Andrew Shilston (former Chief Financial Officer of Rolls-Royce plc) and Simon Collins (Chairman and Senior Partner of KPMG) – left the Board. We were very grateful for the valuable work both had contributed during their membership.

136. Two new members – Nicola Foulston and Sybella Stanley – were appointed to the Board. In addition, three existing members, Nigel Brooksby, Chris Higson and Charles Lochrane, were re-appointed for a further three years.

137. I would like to personally thank all members for the significant time and effort they have devoted to the work of the Board over the past year and to note the high quality of support we have enjoyed from our officials.

**PAUL MULLINS**  
**Chairman**

138. A list of IDAB and WIDAB members as at 31 March 2014 can be found at **Appendix 7**.

## APPENDIX 1

### 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 1, 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 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 and Single Investment Funds Schemes

TABLE 1 RSA SCHEME AND SINGLE INVESTMENT FUND<sup>(1)(2)</sup> – PROJECT GRANTS BY ASSISTED AREAS  
CUMULATIVE APPLICATIONS RECEIVED FROM 1 APRIL 2004 to 31 MARCH 2014

<i>Country:</i>	<i>Cumulative Applications Received</i> <i>01.04.04 to 31.03.14</i>	
	<i>No.</i>	<i>Value</i> <i>(£000)</i>
<b>Scotland</b> <sup>(3)</sup>		
Tier 1	-	-
Tier 2	982	716,443
Total	982	716,443
<b>Wales</b>		
Tier 1	592	379,782
Tier 2	139	155,525
Total	731	535,307
<b>Total:</b>		
Tier 1	592	379,782
Tier 2	1,121	871,968
Total	1,713	1,251,750

<sup>(1)</sup> Welsh figures incorporate data from the Single Investment Fund scheme. The scheme closed 31 August 2010.

<sup>(2)</sup> RSA scheme closed to new applications in England from 31 March 2004. No applications were received in any country in 2013/14

<sup>(3)</sup> Scottish figures incorporate data for the Invest for Growth scheme.

**TABLE 2 RSA SCHEME AND SINGLE INVESTMENT FUND<sup>(1)</sup> – PROJECT GRANTS BY ASSISTED AREA**  
**PAYMENTS FROM 1 APRIL 2013 TO 31 MARCH 2014**  
**CUMULATIVE OFFERS ACCEPTED AND PAYMENTS FROM 1 APRIL 2004<sup>(2)</sup> TO 31 MARCH 2014**

Country	Payments 1.4.13 to 31.3.14 (£000)	Cumulative Offers Accepted 1.4.04 to 31.3.14					Payments 1.4.04 to 31.3.14 (4) (£000)
		No.	Value (£000)	Associated Project Costs (£000)	Forecast Employment <sup>(3)</sup>		
					New	Safeguarded	
<b>Great Britain:</b>							
Development Area	-	-	-	-	-	-	15,031
Intermediate Area	-	-	-	-	-	-	18,060
Tier 1	14,446	601	370,045	1,624,569	23,588	15,813	366,607
Tier 2	7,053	1,113	616,253	4,592,766	50,054	35,088	681,239
Total	21,499	1,714	986,298	6,217,335	73,642	50,901	1,080,937
<b>Scotland:<sup>(6)(7)</sup></b>							
Development Area	-	-	-	-	-	-	-
Intermediate Area	-	-	-	-	-	-	-
Tier 1	-	-	-	-	-	-	-
Tier 2	5,213	753	358,987	1,941,084	28,536	16,094	291,280
Total	5,213	753	358,987	1,941,084	28,536	16,094	291,280
<b>Wales:</b>							
Development Area	-	-	-	-	-	-	-
Intermediate Area	-	-	-	-	-	-	-
Tier 1	14,446	520	322,142	1,210,156	19,212	12,165	302,278
Tier 2	1,840	131	120,490	1,234,056	9,163	5,628	147,698
Total	16,286	651	442,632	2,444,212	28,375	17,793	449,976
<b>England:<sup>(5)(8)</sup></b>							
Development Area	-	-	-	-	-	-	15,031
Intermediate Area	-	-	-	-	-	-	18,060
Tier 1	-	81	47,903	414,413	4,376	3,648	64,329
Tier 2	-	229	136,776	1,417,626	12,355	13,366	242,261
Total	-	310	184,679	1,832,039	16,731	17,014	339,681

<sup>(1)</sup> Welsh Figures incorporate data from the Single Investment Fund scheme.

<sup>(2)</sup> Information prior to 2003-13 can be obtained from earlier Annual Reports of the Industrial Development Act. No offers were made in 2013/14.

<sup>(3)</sup> Forecast employment figures are based on company forecasts for the project at the time of the offer.

<sup>(4)</sup> Payments made in period shown; includes payments on prior projects for which offer was accepted in an earlier year.

<sup>(5)</sup> Tier 1 and 2 Areas effective from 1 January 2000.

<sup>(6)</sup> Scottish figures incorporate data for the Invest For Growth scheme.

<sup>(7)</sup> Scottish figures no longer available split by DAs and IAs due to changes in data collection.

<sup>(8)</sup> English data refers to offers accepted on applications received before the scheme closure in England on 31 March 2004.

TABLE 3 RSA SCHEME AND SINGLE INVESTMENT FUND<sup>(1)</sup> – PROJECT GRANTS IN GREAT BRITAIN<sup>(2)</sup> BY TYPE OF INDUSTRY  
CUMULATIVE OFFERS ACCEPTED AND PAYMENTS FROM 1 APRIL 2004<sup>(3)</sup> TO 31 MARCH 2014

<i>Standard Industrial Classification (SIC) 2003</i>		<i>Cumulative Offers Accepted 1.4.04 to 31.3.14</i>					<i>Payments</i>
<i>Class/Description</i>		<i>No.</i>	<i>Value</i>	<i>Associated</i>	<i>Forecast Employment<sup>(4)</sup></i>		<i>1.4.04 to</i>
			<i>(£000)</i>	<i>Project Costs</i>	<i>New</i>	<i>Safeguarded</i>	<i>31.3.14<sup>(5)</sup></i>
				<i>(£000)</i>			<i>(£000)</i>
01-05	Agriculture, hunting, forestry and fishing	6	883	1,944	98	11	1,252
10-14	Mining & Quarrying	5	992	3,406	20	147	1,268
15-37	Manufacturing:						
15-16	Food, beverages & tobacco	106	48,412	202,216	2,987	3,488	60,508
17-19	Textiles, clothing, leather & footwear	34	5,415	28,590	340	706	6,298
20-22	Wood, paper, printing & publishing	123	80,954	665,972	6,062	2,820	79,031
23-25	Coke, petroleum, nuclear fuels, chemicals, m.m.fibres, rubber & plastic	171	167,291	1,157,595	6,291	8,708	214,963
26	Non-metallic mineral products	44	11,996	100,169	526	1,263	25,481
27-28	Metals & fabricated metal products	212	76,062	398,234	4,848	4,596	61,246
29	Machinery & equipment nes	78	26,566	106,691	1,067	2,767	41,477
30-33	Electrical & optical equipment	146	90,590	639,792	4,935	3,960	97,394
34-35	Transport equipment	96	153,316	1,320,631	5,040	12,957	216,409
36-37	Other manufacturing	96	36,604	168,559	2,433	1,689	26,471
40-41	Electricity, gas & water supply	6	12,952	226,129	454	517	12,253
45	Construction	51	14,313	93,475	1,311	349	11,410
50-52	Wholesale & retail trade, repairs	63	22,705	61,170	3,135	797	25,010
55	Hotels & restaurants	2	8,393	50,703	501	0	9,458
60-64	Transport, storage & communication	55	26,974	142,081	6,519	954	25,335
65-67	Financial intermediation	50	47,050	141,251	7,478	421	46,506
70-74	Real estate, renting & business activities	318	130,608	541,242	16,993	3,194	105,763
75-99	Other Services	53	24,222	167,485	2,605	1,557	13,405
<b>Total</b>		<b>1,714</b>	<b>986,298</b>	<b>6,217,335</b>	<b>73,641</b>	<b>50,901</b>	<b>1,080,937</b>

<sup>(1)</sup> Welsh Figures incorporate data from the Single Investment Fund scheme.

<sup>(2)</sup> English data relates to offers accepted of applications received before the scheme closure in England on 31 March 2004.

<sup>(3)</sup> Information on closed schemes and on Project Grants prior to 2004-14 can be obtained from earlier Annual Reports of the Industrial Development Act.

<sup>(4)</sup> Forecast employment figures are based on company forecasts for the project at the time of offer.

<sup>(5)</sup> Payments made in period shown; includes payments on prior projects for which offer was accepted in an earlier year.



**TABLE 4 RSA AND SINGLE INVESTMENT FUND<sup>(1)</sup> SCHEME – PROJECT GRANTS BY COUNTRY APPLICATIONS RECEIVED, OFFERS ACCEPTED AND PAYMENTS MADE 2010-11 TO 2013-14**

Country:	Financial year of application, acceptance or payment	Applications		Offers Accepted <sup>(2)</sup>		Associated Project Costs (£000)	Forecast Employment <sup>(3)</sup>		Payments <sup>(4)</sup> (£000)
		No.	Value (£000)	No.	Value (£000)		New	Safeguarded	
<b>Great Britain:</b>	2010-11	18	41,437	24	44,335	307,078	2,974	2,181	67,357
	2011-12	2	3,480	1	2,710	9,041	20	268	53,235
	2012-13	-	-	-	-	-	-	-	27,393
	2013-14	-	-	-	-	-	-	-	21,499
<b>Scotland:</b>	2010-11	-	-	2	4,750	37,057	250	288	28,912
	2011-12	-	-	-	-	-	-	-	22,030
	2012-13	-	-	-	-	-	-	-	8,255
	2013-14	-	-	-	-	-	-	-	5,213
<b>Wales:</b>	2010-11	18	41,437	22	39,585	270,021	2,724	1,893	37,445
	2011-12	2	3,480	1	2,710	9,041	20	268	31,205
	2012-13	-	-	-	-	-	-	-	19,138
	2013-14	-	-	-	-	-	-	-	16,286
<b>England:<sup>(5)</sup></b>	2010-11	-	-	-	-	-	-	-	1,000
	2011-12	-	-	-	-	-	-	-	-
	2012-13	-	-	-	-	-	-	-	-
	2013-14	-	-	-	-	-	-	-	-

<sup>(1)</sup> Welsh figures incorporate data from the Single Investment Fund scheme.

<sup>(2)</sup> Accepted in period shown; includes projects for which the application was received in an earlier year.

<sup>(3)</sup> Forecast employment figures are based on company forecasts for the project at the time of offer.

<sup>(4)</sup> Payments made in period shown; includes payment on projects for which offer was accepted in an earlier year.

<sup>(5)</sup> English data relates to offers accepted on applications received before the scheme closure in England on 31 March 2004.

**TABLE 5 RSA AND SINGLE INVESTMENT FUND<sup>(1)</sup> SCHEME – PROJECT GRANTS BY UK AND FOREIGN OWNED COMPANIES**  
**PAYMENTS FROM 1 APRIL 2013 TO 31 MARCH 2014**  
**CUMULATIVE OFFERS ACCEPTED AND PAYMENTS FROM 1 APRIL 2004 TO 31 MARCH 2014**

<i>Country:</i>	<i>Payments 1.4.13 to 31.3.14 (£000)</i>	<i>Cumulative Offers Accepted 1.4.04 to 31.3.14</i>					<i>Payments 1.4.04 to 31.3.14 (3) (£000)</i>
		<i>No.</i>	<i>Value (£000)</i>	<i>Associated Project Costs (£000)</i>	<i>Forecast Employment (2)</i>		
					<i>New</i>	<i>Safeguarded</i>	
<b>Great Britain:</b>							
UK Owned	12,401	1,356	529,531	3,076,556	46,136	29,320	565,469
Foreign Owned	9,098	358	456,767	3,140,779	27,506	21,581	515,468
Total	21,499	1,714	986,298	6,217,335	73,642	50,901	1,080,937
<b>Scotland:</b>							
UK Owned	5,153	581	201,669	1,082,791	16,949	9,238	170,995
Foreign Owned	60	172	157,318	858,293	11,587	6,856	120,285
Total	5,213	753	358,987	1,941,084	28,536	16,094	291,280
<b>Wales:</b>							
UK Owned	7,248	546	244,145	1,255,268	17,999	11,696	215,177
Foreign Owned	9,038	105	198,487	1,188,944	10,376	6,097	234,799
Total	16,286	651	442,632	2,444,212	28,375	17,793	449,976
<b>England:<sup>(4)</sup></b>							
UK Owned	-	229	83,717	738,497	11,188	8,386	179,297
Foreign Owned	-	81	100,962	1,093,542	5,543	8,628	160,384
Total	-	310	184,679	1,832,039	16,731	17,014	339,681

<sup>(1)</sup> Welsh figures incorporates data from the Single Investment Fund scheme.

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

<sup>(3)</sup> Payments made in period shown; includes payments on prior projects for which offer was accepted in an earlier year. No offers were made in 2013/14.

<sup>(4)</sup> English data relates to offers accepted on applications received before the scheme closure in England on 31 March 2004.

**APPENDIX 3**

**Statistics Relating to the Selective Finance for Investment in England Scheme**

**TABLE 1 SELECTIVE FINANCE FOR INVESTMENT IN ENGLAND – TIER 1 AND 2 AREAS  
PAYMENTS MADE IN TIER 1 AND 2 AREAS FROM 1 APRIL 2013 TO 31 MARCH 2014<sup>(1)</sup>  
CUMULATIVE OFFERS ACCEPTED AND PAYMENTS FROM 1 APRIL 2004 TO  
31 MARCH 2014**

<i>Country/Region</i>	<i>Payments 1.4.13 to 31.3.14 (£000)</i>	<i>No.</i>	<i>Value (£000)</i>	<i>Associated Project Costs (£000)</i>	<i>Forecast Employment<sup>(2)</sup></i>		<i>Payments 1.4.04 to 31.03.14 (£000)</i>
					<i>New</i>	<i>Safeguarded</i>	
<b>ENGLAND:</b>							
Tier 1	473	255	49,891	383,686	4,787	3,884	35,246
Tier 2	4,118	1,271	308,227	2,938,825	31,106	27,223	204,178
<b>TOTAL</b>	<b>4,591</b>	<b>1,526</b>	<b>358,118</b>	<b>3,322,511</b>	<b>35,893</b>	<b>31,107</b>	<b>239,424</b>
<b>East:</b>							
Tier 1	-	-	-	-	-	-	-
Tier 2	-	43	12,014	82,897	970	1,161	9,907
<b>TOTAL</b>	<b>-</b>	<b>43</b>	<b>12,014</b>	<b>82,897</b>	<b>970</b>	<b>1,161</b>	<b>9,907</b>
<b>East Midlands:</b>							
Tier 1	-	-	-	-	-	-	-
Tier 2	202	89	16,012	153,855	1,618	1,278	13,074
<b>TOTAL</b>	<b>202</b>	<b>89</b>	<b>16,012</b>	<b>153,855</b>	<b>1,618</b>	<b>1,278</b>	<b>13,074</b>
<b>London:</b>							
Tier 1	-	-	-	-	-	-	-
Tier 2	1,000	40	16,365	326,149	1,044	2,485	12,328
<b>TOTAL</b>	<b>1,000</b>	<b>40</b>	<b>16,365</b>	<b>326,149</b>	<b>1,044</b>	<b>2,485</b>	<b>12,328</b>
<b>North East:</b>							
Tier 1	-	-	-	-	-	-	-
Tier 2	1,833	471	94,207	881,719	14,115	7,072	64,521
<b>TOTAL</b>	<b>1,833</b>	<b>471</b>	<b>94,207</b>	<b>881,719</b>	<b>14,115</b>	<b>7,072</b>	<b>64,521</b>
<b>North West:</b>							
Tier 1	-	82	14,445	166,035	1,616	1,263	11,290
Tier 2	138	194	67,031	483,428	4,897	5,354	43,667
<b>TOTAL</b>	<b>138</b>	<b>276</b>	<b>81,476</b>	<b>649,463</b>	<b>6,513</b>	<b>6,617</b>	<b>54,957</b>
<b>South East:</b>							
Tier 1	-	-	-	-	-	-	-
Tier 2	-	23	9,285	214,365	1,437	2,188	1,590
<b>TOTAL</b>	<b>-</b>	<b>23</b>	<b>9,285</b>	<b>214,365</b>	<b>1,437</b>	<b>2,188</b>	<b>1,590</b>
<b>South West:</b>							
Tier 1	473	42	10,532	39,629	731	784	7,942
Tier 2	345	19	9,617	58,687	375	1,532	7,728
<b>TOTAL</b>	<b>818</b>	<b>61</b>	<b>20,149</b>	<b>98,316</b>	<b>1,106</b>	<b>2,316</b>	<b>15,670</b>
<b>West Midlands:</b>							
Tier 1	-	-	-	-	-	-	-
Tier 2	-	258	50,593	418,184	4,778	3,369	29,752
<b>TOTAL</b>	<b>-</b>	<b>258</b>	<b>50,593</b>	<b>418,184</b>	<b>4,778</b>	<b>3,369</b>	<b>29,752</b>
<b>Yorkshire and Humberside:</b>							
Tier 1	-	131	24,914	178,022	2,440	1,837	16,014
Tier 2	600	134	33,103	319,541	1,872	2,784	21,611
<b>TOTAL</b>	<b>600</b>	<b>265</b>	<b>58,017</b>	<b>497,563</b>	<b>4,312</b>	<b>4,621</b>	<b>37,625</b>

<sup>(1)</sup> The Selective Finance for Investment in England scheme closed to new applications on 22 October 2008.

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

TABLE 2 SELECTIVE FINANCE FOR INVESTMENT IN ENGLAND <sup>(1)</sup> BY TYPE OF INDUSTRY –  
TIER 1 AND 2 AREAS  
CUMULATIVE OFFERS ACCEPTED AND PAYMENTS FROM 1 APRIL 2004 TO  
31 MARCH 2014

<i>Standard Industrial Classification (SIC) 2003</i>				<i>Associated Project Costs</i>	<i>Forecast Employment<sup>(2)</sup></i>		<i>Payments 1.4.04 to 31.03.14</i>
<i>Class/Description</i>	<i>No.</i>	<i>Value (£000)</i>	<i>(£000)</i>	<i>New</i>	<i>Safeguarded</i>	<i>(£000)</i>	
01-05	Agriculture, hunting, forestry and fishing	2	750	5,151	310	6	75
10-14	Mining & Quarrying	1	1,350	14,288	105	-	-
15-37	Manufacturing:						
15-16	Food, beverages & tobacco	97	24,403	389,579	3,651	1,957	15,111
17-19	Textiles, clothing, leather & footwear	23	2,781	21,357	380	200	2,082
20-22	Wood, paper, printing & publishing	94	16,623	148,123	1,255	1,816	12,573
23-25	Coke, petroleum, nuclear fuels, chemicals, m.m.fibres, rubber & plastic	133	32,234	328,511	1,827	3,331	23,774
26	Non-metallic mineral products	33	7,402	71,582	236	851	6,251
27-28	Metals & fabricated metal products	373	58,858	387,795	4,403	6,143	41,125
29	Machinery & equipment nes	75	13,262	90,654	767	1,966	7,933
30-33	Electrical & optical equipment	80	22,699	94,026	1,365	1,123	9,086
34-35	Transport equipment	63	50,619	714,822	2,623	5,717	41,366
36-37	Other manufacturing & recycling	121	21,219	216,443	2,311	2,036	14,314
40-41	Electricity, gas & water supply	4	2,549	60,564	672	499	-
45	Construction	61	9,322	62,953	1,626	524	4,493
50-52	Wholesale & retail trade, repairs	81	10,625	90,842	1,315	602	7,844
55	Hotels & restaurants	2	150	1,400	45	-	-
60-64	Transport, storage & communication	24	5,940	23,689	689	306	3,899
65-67	Financial intermediation	13	14,906	146,649	2,957	1,376	10,895
70-74	Real estate, renting & business activities	129	32,216	186,957	4,809	1,743	24,263
74	Call Centre Activities	70	21,130	145,740	3,184	635	9,656
75-99	Other Services	47	9,080	121,386	1,363	276	4,684
<b>Total</b>		<b>1,526</b>	<b>358,118</b>	<b>3,322,511</b>	<b>35,893</b>	<b>31,107</b>	<b>239,424</b>

<sup>(1)</sup> The Selective Finance for Investment in England scheme closed to new applications on 22 October 2008.

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

**TABLE 3 SELECTIVE FINANCE FOR INVESTMENT IN ENGLAND<sup>(1)</sup> BY UK AND FOREIGN OWNED COMPANIES – TIER 1 AND 2 AREAS**  
**PAYMENTS FROM 1 APRIL 2013 TO 31 MARCH 2014**  
**CUMULATIVE OFFERS ACCEPTED AND PAYMENTS FROM 1 APRIL 2004 TO 31 MARCH 2014**

	Payments 1.4.13 to 31.3.14 (£000)	Cumulative Offers Accepted 1.4.04 to 31.03.14					Payments 1.4.04 to 31.03.14 (£000)
		No.	Value (£000)	Associated Project Costs (£000)	Forecast Employment <sup>(2)</sup>		
					New	Safeguarded	
<b>ENGLAND:</b>							
UK Owned	896	1,315	194,970	1,746,925	24,869	15,037	130,913
Foreign Owned	3,695	211	163,148	1,575,586	11,024	16,070	108,511
<b>Total</b>	<b>4,591</b>	<b>1,526</b>	<b>358,118</b>	<b>3,322,511</b>	<b>35,893</b>	<b>31,107</b>	<b>239,424</b>
<b>East:</b>							
UK Owned	-	39	8,698	60,868	853	795	6,592
Foreign Owned	-	4	3,316	22,029	117	366	3,315
<b>Total</b>	<b>-</b>	<b>43</b>	<b>12,014</b>	<b>82,897</b>	<b>970</b>	<b>1,161</b>	<b>9,907</b>
<b>East Midlands:</b>							
UK Owned	202	80	13,717	135,944	1,474	1,092	10,851
Foreign Owned	-	9	2,295	17,911	144	186	2,223
<b>Total</b>	<b>202</b>	<b>89</b>	<b>16,012</b>	<b>153,855</b>	<b>1,618</b>	<b>1,278</b>	<b>13,074</b>
<b>London:</b>							
UK Owned	-	33	7,581	94,961	880	992	5,023
Foreign Owned	1,000	7	8,784	231,188	164	1,493	7,305
<b>Total</b>	<b>1,000</b>	<b>40</b>	<b>16,365</b>	<b>326,149</b>	<b>1,044</b>	<b>2,485</b>	<b>12,328</b>
<b>North East:</b>							
UK Owned	83	394	53,628	590,962	9,553	3,586	35,438
Foreign Owned	1,750	77	40,579	290,757	4,562	3,486	29,083
<b>Total</b>	<b>1,833</b>	<b>471</b>	<b>94,207</b>	<b>881,719</b>	<b>14,115</b>	<b>7,072</b>	<b>64,521</b>
<b>North West:</b>							
UK Owned	138	237	34,426	253,243	4,556	2,400	21,510
Foreign Owned	-	39	47,050	396,220	1,957	4,217	33,447
<b>Total</b>	<b>138</b>	<b>276</b>	<b>81,476</b>	<b>649,463</b>	<b>6,513</b>	<b>6,617</b>	<b>54,957</b>
<b>South East:</b>							
UK Owned	-	17	5,130	146,884	585	1,437	1,178
Foreign Owned	-	6	4,155	67,481	852	751	412
<b>Total</b>	<b>-</b>	<b>23</b>	<b>9,285</b>	<b>214,365</b>	<b>1,437</b>	<b>2,188</b>	<b>1,590</b>
<b>South West:</b>							
UK Owned	473	53	14,123	65,872	985	875	10,566
Foreign Owned	345	8	6,026	32,444	121	1,441	5,104
<b>Total</b>	<b>818</b>	<b>61</b>	<b>20,149</b>	<b>98,316</b>	<b>1,106</b>	<b>2,316</b>	<b>15,670</b>
<b>West Midlands:</b>							
UK Owned	-	236	29,377	189,255	3,134	1,885	20,404
Foreign Owned	-	22	21,216	228,929	1,644	1,484	9,348
<b>Total</b>	<b>-</b>	<b>258</b>	<b>50,593</b>	<b>418,184</b>	<b>4,778</b>	<b>3,369</b>	<b>29,752</b>
<b>Yorkshire and Humberside:</b>							
UK Owned	-	226	28,290	208,936	2,849	1,975	19,351
Foreign Owned	600	39	29,727	288,627	1,463	2,646	18,274
<b>Total</b>	<b>600</b>	<b>265</b>	<b>58,017</b>	<b>497,563</b>	<b>4,312</b>	<b>4,621</b>	<b>37,625</b>

<sup>(1)</sup> The Selective Finance for Investment in England scheme closed to new applications on 22 October 2008.

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

TABLE 4 SELECTIVE FINANCE FOR INVESTMENT IN ENGLAND<sup>(1)</sup> – TIER 3  
 CUMULATIVE OFFERS ACCEPTED AND PAYMENTS FROM 1 APRIL 2004  
 TO 31 MARCH 2014

	<i>Cumulative Offers Accepted 01.04.04 to 31.03.14</i>					
	<i>No.</i>	<i>Value (£000)</i>	<i>Associated Project Costs (£000)</i>	<i>Forecast Employment<sup>(2)</sup></i>		<i>Payments 1.4.04 to 31.3.14 (£000)</i>
				<i>New</i>	<i>Safeguarded</i>	
<b>ENGLAND:</b>	411	24,494	236,914	2,938	1,784	17,763
East:	42	2,655	24,031	191	131	1,706
East Midlands:	62	4,394	42,947	546	300	3,284
London:	33	1,912	20,214	546	252	957
North East:	22	1,287	9,973	256	52	1,007
North West:	58	3,344	35,865	507	298	3,262
South East:	36	2,679	22,257	206	241	1,848
South West:	11	681	5,504	153	32	422
West Midlands:	88	5,425	46,972	337	383	2,919
Yorkshire and Humberside:	59	2,117	29,151	196	95	2,358

<sup>(1)</sup> The Selective Finance for Investment in England scheme closed to new applications on 22 October 2008. No payments were made in 2013/14

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

APPENDIX 4

Statistics Relating to the Grant for Business Investment Scheme

TABLE 1 GRANT FOR BUSINESS INVESTMENT – TIER 1 AND 2 AREAS  
OFFERS ACCEPTED AND PAYMENTS MADE FROM 1 APRIL 2013 TO 31 MARCH 2014<sup>(1)</sup>  
CUMULATIVE OFFERS ACCEPTED AND PAYMENTS MADE FROM 23 OCTOBER 2008  
TO 31 MARCH 2014

Country/Region	No.	Associated Project Costs		Forecast Employment <sup>(2)</sup>		Payments 1.4.13 to 31.3.14		Associated Project Costs		Forecast Employment <sup>(2)</sup>		Payments 23.10.08 to 31.03.14		
		Value (£000)	Costs (£000)	New	Safeguarded	Value (£000)	Costs (£000)	New	Safeguarded	Value (£000)	Costs (£000)	New	Safeguarded	Value (£000)
<b>ENGLAND:</b>														
Tier 1	-	-	-	-	-	-	-	12	3,067	14,743	217	91	494	
Tier 2 <sup>(3)</sup>	1	-	-	-	-	39,823	-	384	293,238	3,244,462	13,612	8,206	131,192	
<b>TOTAL</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,823</b>	<b>-</b>	<b>396</b>	<b>296,305</b>	<b>3,259,205</b>	<b>13,829</b>	<b>8,297</b>	<b>131,686</b>	
<b>East:</b>														
Tier 1	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tier 2	-	-	-	-	-	-	-	6	828	7,920	129	5	417	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>828</b>	<b>7,920</b>	<b>129</b>	<b>5</b>	<b>417</b>	
<b>East Midlands:</b>														
Tier 1	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tier 2	-	-	-	-	-	1,210	-	27	6,691	69,646	590	327	4,855	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,210</b>	<b>-</b>	<b>27</b>	<b>6,691</b>	<b>69,646</b>	<b>590</b>	<b>327</b>	<b>4,855</b>	
<b>London:</b>														
Tier 1	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>North East:</b>														
Tier 1	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tier 2	-	-	-	-	-	15,609	-	147	82,616	861,993	7,020	2,203	48,886	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,609</b>	<b>-</b>	<b>147</b>	<b>82,616</b>	<b>861,993</b>	<b>7,020</b>	<b>2,203</b>	<b>48,886</b>	
<b>North West:</b>														
Tier 1	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tier 2	-	-	-	-	-	11,068	-	55	41,303	287,845	1,872	2,547	29,289	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,068</b>	<b>-</b>	<b>55</b>	<b>41,303</b>	<b>287,845</b>	<b>1,872</b>	<b>2,547</b>	<b>29,289</b>	
<b>South East:</b>														
Tier 1	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tier 2	-	-	-	-	-	-	-	3	691	4,511	39	23	524	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>691</b>	<b>4,511</b>	<b>39</b>	<b>23</b>	<b>524</b>	
<b>South West:</b>														
Tier 1	-	-	-	-	-	-	-	12	3,067	14,743	217	91	494	
Tier 2	-	-	-	-	-	733	-	7	4,318	28,477	134	333	4,296	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>733</b>	<b>-</b>	<b>19</b>	<b>7,385</b>	<b>43,220</b>	<b>351</b>	<b>424</b>	<b>4,790</b>	
<b>West Midlands:</b>														
Tier 1	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tier 2 <sup>(3)</sup>	1	-	-	-	-	4,819	-	90	27,763	390,623	1,998	1,047	16,059	
<b>TOTAL</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,819</b>	<b>-</b>	<b>90</b>	<b>27,763</b>	<b>390,623</b>	<b>1,998</b>	<b>1,047</b>	<b>16,059</b>	
<b>Yorkshire and Humberside:</b>														
Tier 1	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tier 2	-	-	-	-	-	6,384	-	49	129,028	1,593,447	1,830	1,721	26,866	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,384</b>	<b>-</b>	<b>49</b>	<b>129,028</b>	<b>1,593,447</b>	<b>1,830</b>	<b>1,721</b>	<b>26,866</b>	

<sup>(1)</sup> Grant for Business Investment scheme replaced Selective Finance for Investment in England on 23 October 2008.

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

<sup>(3)</sup> Details of an offer of assistance accepted in 2013/14 have been withheld on confidentiality grounds.

TABLE 2 GRANT FOR BUSINESS INVESTMENT BY TYPE OF INDUSTRY – TIER 1 AND 2 AREAS  
CUMULATIVE OFFERS ACCEPTED AND PAYMENTS MADE FROM 23 OCTOBER 2008  
TO 31 MARCH 2014<sup>(1)</sup>

<i>Standard Industrial Classification (SIC) 2003</i>				<i>Associated Project Costs (£000)</i>	<i>Forecast Employment<sup>(2)</sup></i>		<i>Payments 23.10.08 to 31.03.14 (£000)</i>
<i>Class/Description</i>	<i>No.</i>	<i>Value (£000)</i>			<i>New</i>	<i>Safeguarded</i>	
01-05	Agriculture, hunting, forestry and fishing	2	230	1,560	36	8	60
10-14	Mining & Quarrying	-	-	-	-	-	-
15-37	Manufacturing:						
15-16	Food, beverages & tobacco	28	10,001	56,330	1,127	511	7,950
17-19	Textiles, clothing, leather & footwear	6	856	4,877	54	77	894
20-22	Wood, paper, printing & publishing	25	4,408	1,025,877	362	251	2,690
23-25	Coke, petroleum, nuclear fuels, chemicals, m.m.fibres, rubber & plastic	39	29,287	628,109	1,662	844	14,581
26	Non-metallic mineral products	6	379	2,746	28	33	672
27-28	Metals & fabricated metal products	88	96,820	215,555	1,409	1,934	9,654
29	Machinery & equipment nes	17	15,396	67,293	136	372	6,522
30-33	Electrical & optical equipment	29	10,327	82,548	686	608	5,319
34-35	Transport equipment	31	87,694	763,798	1,887	2,862	50,873
36-37	Other manufacturing & recycling	20	1,761	9,277	318	78	10,927
40-41	Electricity, gas & water supply	1	96	750	8	-	206
45	Construction	12	2,685	20,823	242	54	2,159
50-52	Wholesale & retail trade, repairs	11	1,218	6,650	162	4	1,289
55	Hotels & restaurants	-	-	-	-	-	-
60-64	Transport, storage & communication	5	4,411	73,959	791	20	197
65-67	Financial intermediation	1	249	837	70	-	200
70-74	Real estate, renting & business activities	42	15,128	120,521	1,732	228	10,870
74	Call Centre Activities	20	8,765	60,817	2,356	356	3,887
75-99	Other Services	13	6,594	116,878	763	57	2,696
Total		396	296,305	3,259,205	13,829	8,297	131,686

<sup>(1)</sup> Grant for Business Investment scheme replaced Selective Finance for Investment in England on 23 October 2008.

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



**TABLE 3 GRANT FOR BUSINESS INVESTMENT BY UK AND FOREIGN OWNED COMPANIES – TIER 1 AND 2 AREAS**  
**OFFERS ACCEPTED AND PAYMENTS MADE FROM 1 APRIL 2013 TO 31 MARCH 2014 <sup>(1)</sup>**  
**CUMULATIVE OFFERS ACCEPTED AND PAYMENTS MADE FROM 23 OCTOBER 2008 TO 31 MARCH 2014**

	<i>Offers Accepted 1.4.13 to 31.3.14</i>					<i>Cumulative Offers Accepted 23.10.08 to 31.03.14</i>						
	<i>No.</i>	<i>Associated Project</i>		<i>Forecast Employment<sup>(2)</sup></i>		<i>Payments 1.4.13 to 31.3.14 (£000)</i>	<i>No.</i>	<i>Associated Project</i>		<i>Forecast Employment<sup>(2)</sup></i>		<i>Payments 23.10.08 to 31.03.14 (£000)</i>
		<i>Value (£000)</i>	<i>Costs (£000)</i>	<i>New</i>	<i>Safeguarded</i>			<i>Value (£000)</i>	<i>Costs (£000)</i>	<i>New</i>	<i>Safeguarded</i>	
<b>ENGLAND:</b>												
UK Owned	-	-	-	-	-	11,150	319	191,044	1,088,664	8,376	3,461	72,981
Foreign Owned <sup>(3)</sup>	1	-	-	-	-	28,673	77	105,261	2,170,541	5,453	4,836	58,705
<b>Total</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,823</b>	<b>396</b>	<b>296,305</b>	<b>3,259,205</b>	<b>13,829</b>	<b>8,297</b>	<b>131,686</b>
<b>East:</b>												
UK Owned	-	-	-	-	-	-	5	780	6,870	65	5	417
Foreign Owned	-	-	-	-	-	-	1	48	1,050	64	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>828</b>	<b>7,920</b>	<b>129</b>	<b>5</b>	<b>417</b>
<b>East Midlands:</b>												
UK Owned	-	-	-	-	-	634	17	3,289	30,483	396	26	2,348
Foreign Owned	-	-	-	-	-	576	10	3,402	39,163	194	301	2,507
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,210</b>	<b>27</b>	<b>6,691</b>	<b>69,646</b>	<b>590</b>	<b>327</b>	<b>4,855</b>
<b>London:</b>												
UK Owned	-	-	-	-	-	-	-	-	-	-	-	-
Foreign Owned	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>North East:</b>												
UK Owned	-	-	-	-	-	4,243	115	41,278	353,939	4,311	966	30,937
Foreign Owned	-	-	-	-	-	11,366	32	41,338	508,054	2,709	1,237	17,949
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,609</b>	<b>147</b>	<b>82,616</b>	<b>861,993</b>	<b>7,020</b>	<b>2,203</b>	<b>48,886</b>
<b>North West:</b>												
UK Owned	-	-	-	-	-	23	45	8,887	59,302	1,029	454	4,668
Foreign Owned	-	-	-	-	-	11,045	10	32,416	228,543	843	2,093	24,621
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,068</b>	<b>55</b>	<b>41,303</b>	<b>287,845</b>	<b>1,872</b>	<b>2,547</b>	<b>29,289</b>
<b>South East:</b>												
UK Owned	-	-	-	-	-	-	3	691	4,511	39	23	524
Foreign Owned	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>691</b>	<b>4,511</b>	<b>39</b>	<b>23</b>	<b>524</b>
<b>South West:</b>												
UK Owned	-	-	-	-	-	-	14	3,217	14,400	212	233	1,329
Foreign Owned	-	-	-	-	-	733	5	4,168	28,820	139	191	3,461
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>733</b>	<b>19</b>	<b>7,385</b>	<b>43,220</b>	<b>351</b>	<b>424</b>	<b>4,790</b>
<b>West Midlands:</b>												
UK Owned	-	-	-	-	-	519	81	9,480	53,497	726	604	8,487
Foreign Owned <sup>(3)</sup>	1	-	-	-	-	4,300	9	18,283	337,126	1,272	443	7,572
<b>Total</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,819</b>	<b>90</b>	<b>27,763</b>	<b>390,623</b>	<b>1,998</b>	<b>1,047</b>	<b>16,059</b>
<b>Yorkshire and Humberside:</b>												
UK Owned	-	-	-	-	-	5,731	39	123,422	565,662	1,598	1,150	24,271
Foreign Owned	-	-	-	-	-	653	10	5,606	1,027,785	232	571	2,595
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,384</b>	<b>49</b>	<b>129,028</b>	<b>1,593,447</b>	<b>1,830</b>	<b>1,721</b>	<b>26,866</b>

<sup>(1)</sup> Grant for Business Investment scheme replaced Selective Finance for Investment in England on 23 October 2008.

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

<sup>(3)</sup> Details of an offer of assistance accepted in 2013/14 have been withheld on confidentiality grounds.

**TABLE 4 GRANT FOR BUSINESS INVESTMENT – TIER 3  
 PAYMENTS FROM 1 APRIL 2013 TO 31 MARCH 2014 <sup>(1)</sup>  
 CUMULATIVE OFFERS ACCEPTED AND PAYMENTS FROM 23 OCTOBER 2008 TO  
 31 MARCH 2014**

	<i>Payments 1.4.13 to 31.3.14 (£000)</i>	<i>Cumulative Offers Accepted 23.10.08 to 31.03.14</i>					<i>Payments 23.10.08 to 31.3.14 (£000)</i>
		<i>No.</i>	<i>Value (£000)</i>	<i>Associated Project Costs (£000)</i>	<i>Forecast Employment<sup>(2)</sup></i>		
					<i>New</i>	<i>Safeguarded</i>	
<b>ENGLAND:</b>	799	211	21,648	173,638	2,095	1,361	12,863
East:	11	19	1,291	8,439	103	11	1,689
East Midlands:	521	27	3,909	34,145	430	57	2,579
London:	-	-	-	-	-	-	-
North East:	-	14	610	4,413	171	36	443
North West:	-	53	6,379	48,670	532	552	3,854
South East:	-	22	2,310	16,537	207	144	861
South West:	40	5	835	8,004	26	174	300
West Midlands:	188	48	4,875	37,558	493	287	2,344
Yorkshire and Humberside:	39	23	1,439	15,872	133	100	793

<sup>(1)</sup> The Grant for Business Investment scheme for Tier 3 areas closed to new applications on 1 February 2011.

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

## APPENDIX 5

### Statistics Relating to the Repayable Business Finance Scheme

TABLE 1 REPAYABLE BUSINESS FINANCE IN WALES  
OFFERS ACCEPTED FROM 1 APRIL 2013 TO 31 MARCH 2014

<i>Country/Region</i>	<i>No.</i>	<i>Offers Accepted 1.4.13 to 31.3.14</i>		<i>Forecast Employment</i>	
		<i>Value</i> <i>(£000)</i>	<i>Associated</i> <i>Project</i> <i>Costs</i> <i>(£000)</i>	<i>New</i>	<i>Safeguarded</i>
Wales:	13	30,029	119,598	1,567	415

<sup>(1)</sup> The Repayable Business Finance scheme is a Welsh Government scheme.

## APPENDIX 6

### Statistics Relating to the Regional Growth Fund

TABLE 1 FINAL OFFERS ACCEPTED FROM 1 APRIL 2013 TO 31 MARCH 2014  
CUMULATIVE TOTAL OFFERS ACCEPTED AND PAYMENTS MADE

<i>Country/Region</i>	<i>1 April 2013 to 31 March 2014</i>		<i>Cumulative totals</i>		
	<i>No. Final Offers</i>	<i>Value (£m)</i>	<i>No. Final Offers</i>	<i>Value (£m)</i>	<i>Payments (£m)</i>
<b>ENGLAND:</b>	151	1,053	346	2,273	1,186
National programmes:	13	291	21	556	344
East of England :	7	53	10	87	42
East Midlands:	13	48	21	125	44
North East:	19	90	79	229	136
North West:	32	195	71	407	194
London and South East:	14	77	25	143	67
South West:	12	88	27	170	88
West Midlands:	21	110	47	298	141
Yorkshire and Humberside:	20	100	45	257	132

## APPENDIX 7

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

The names below represent the position at 31 March 2014.

#### Welsh Industrial Development Advisory Board

*Chairman*

Ms V Barrett  
*Rockwool Ltd*

*Members*

Ms K Diamond  
*Chief Financial Officer, Zyte Group Ltd*  
Mr D Williams  
*Retired Area Director, HSBC Bank*  
Mr A Proctor  
*Non-Executive Director, Department of Business Innovation & Skills, National Metrology Office*  
Mr M Greenway OBE  
*Senior Commercial Consultant*  
Dr J Macpherson  
*Independent Biotech Entrepreneur*  
Dr R Hayward  
*Aberystwyth University, and Rhian Hayward Consulting Ltd*  
Mr M Macphail  
*Retired Director of Engineering, Tata Steel Europe*

#### Industrial Development Advisory Board

*Chairman*

Mr Paul Mullins  
*Chairman, Education and Training Foundation; member of AMSCI Investment Board; formerly a mergers and acquisitions adviser with Schroders, Citigroup, Bank of America and DC Advisory Partners*

*Members*

Mr Nigel Brooksby  
*Chairman, Clinical Insights Ltd; Non-Executive Chairman, Prism Pharma Ltd; Director, Volution Immuno Pharma and Stabilitech Ltd*  
Mr Hugh Brown  
*UK Senior Adviser, Anchorage Capital; former global head, PwC Corporate Finance*  
Ms Nicola Foulston  
*Chairman, VV Capital*  
Professor Chris Higson  
*Professor in Accounting Practice, London Business School*  
Mr Christopher Kinsella  
*Former Chief Executive, the Chartered Management Institute; former Chief Financial Officer, the Dyson Group plc, TI Automotive and the British Council; Board member, Sheffield Hallam University and S.W. Ambulance NHS Trust.*  
Mr William Lazarus  
*Former Finance Director, Norbain Group*  
Mr Charles Lochrane  
*Former Partner, Strutt & Parker, commercial surveyors*  
Mr George Rose  
*Non-Executive Director, National Grid plc, Saab AB and Vallares plc; former Chief Financial Officer, BAE Systems plc*  
Ms Sybella Stanley  
*Director of Corporate Finance, Reed Elsevier Group plc*  
Mr Philip Sturrock  
*Chairman, Pancathay Consulting Ltd; former Chairman and CEO, The Continuum International Publishing Group Ltd*  
Ms Gillian Wilmot  
*Founder and CEO of Board Mentoring; Non-Executive Director NISA Retail and Elexon*

## APPENDIX 8

### Resolutions Under Section 8, 2013/14

<b>Date</b>	<b>Scheme</b>	<b>Amount</b>
15 May 2013	Business Finance Partnership <sup>1</sup>	up to £20 million
17 June 2013	Investment Programme <sup>2</sup>	up to £300 million
19 June 2013	VC Catalyst Fund <sup>3</sup>	up to £25 million
16 July 2013	Digital Region Ltd <sup>4</sup>	up to £45 million

<sup>1</sup> See paragraphs 32-33.

<sup>2</sup> See paragraphs 34-36.

<sup>3</sup> See paragraph 42.

<sup>4</sup> See paragraphs 67-68.

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