

**MINUTES OF A MEETING OF THE  
GEARING UP FOR GROWTH GRANTS PANEL  
HELD ON 7<sup>TH</sup> NOVEMBER, 2016  
AT NELSON TOWN HALL**

*PRESENT –*

*Councillor M. Iqbal – Chairman (In the Chair)*

**Panel Members**

*Councillor N. Ahmed*

*Councillor D. Whipp*

*Julie Whittaker*

*Kevin Clark*

*Housing, Health and Economic Development Services Manager (PBC)*

*Enterprise Lancashire*

**Also present**

*Chris Kolek*

*Kolek Consulting*

**Officers in attendance**

*Hanna Latty*

*Hassan Ditta*

*Paul Collins*

*Judith Stockton*

*Lynne Rowland*

*Business Development Officer (PBC)*

*Employer Engagement Officer (PBC)*

*Regeneration Officer (PBC)*

*Senior Regeneration Officer (PBC)*

*Committee Administrator (PBC)*



**1. DECLARATION OF INTERESTS**

Councillors were reminded of the legal requirements concerning the declaration of interests. Other members of the Panel were also asked to declare any interest as appropriate.

**2. MINUTES**

**AGREED**

That the Minutes of this Panel, at a meeting held on 31<sup>st</sup> August, 2016 be approved as a correct record and signed by the Chairman.

**3. APPLICATIONS FOR START-UP GRANTS**

Prior to considering the grant applications submitted, the Business Development Officer advised the Panel that the budget allocation had almost been reached. It was reported that a number of Graduate Scheme awards from February to July 2015 remained unpaid as suitable graduates had not been found. On award of the grant, all companies had been advised of a 12 month timescale in which to claim.

It was therefore agreed that the companies concerned be formally advised that the funding

## Gearing up for Growth Grants Panel (07.11.2016)

allocated could no longer be reserved and the money be re-allocated to the Gearing up for Growth Grants Fund.

The Panel was provided with a project summary and an overview of the business with regard to the following applications for start-up grants. In reaching their decision, the members of the Panel considered the business plans for each business and received information on what the requested grant was to be spent on.

### **(a) Catherine Dobson – Horizon Sailing**

In June, 2016 Catherine Dobson established Horizon Sailing, which provided yacht sailing instruction and skipper chartered cruises. The yacht was moored at Conwy Marina, North Wales, and the current client base drew customers from across the North West of England and North Wales. Ms Dobson divided her time between two businesses and was based in Roughlee, Nelson.

It was intended to expand the business in 2017 to offer Royal Yacht Association courses in partnership with an accredited sailing school in Conwy.

The requested grant was to fund marketing Horizon Sailing and a new website with improved booking capabilities.

The project would create three part time jobs.

It was reported that Enterprise Lancashire had approved the business plan and cash flow with some points to note.

### **AGREED**

That the application for a start-up grant be refused.

### **REASON**

***There is concern that, although the business will be registered in Pendle, the additional jobs are likely to be created where the yacht is moored in Wales. Therefore it does not meet the Council's priorities of creating jobs and sustaining strong economic growth.***

### **(b) Stephen Heap – Pendle Shot Blasting**

Stephen Heap was to set up a shot blasting service, which removed coatings from various metals in preparation for paint/powder coating. The business would initially be run by Mr Heap and his partner but, once the business could sustain over 30 hours of work per week, the business would take on a further part time employee.

The requested grant would be used to purchase a recovery airwash system.

Enterprise Lancashire had approved the business plan and cash flow.

### **AGREED**

That Stephen Heap be awarded a start-up grant of £2,000 in support of Pendle Shot Blasting.

**REASON**

***The business appears sustainable and will contribute to the Council's priorities of creating jobs and sustaining strong economic growth.***

**(c) Sidrah's Laser, Hair and Beauty Clinic**

Sidrah's Laser, Hair and Beauty Clinic was based in Nelson. In order to increase her customer base and further set herself apart from the competition, Sidrah wanted to purchase a market leading laser machine.

The project would create one full time job.

Enterprise Lancashire had provided the applicant with business support. It was reported that they had not approved the business plan and cash flow as both documents showed the business not to be profitable.

**AGREED**

That the application for a start-up grant be refused.

**REASON**

***The business is unsustainable and will not contribute to the Council's priorities of sustaining strong economic growth.***

**(d) Sam Abrahams – Audio Visual Department T/A That Cow**

That Cow was a media development company that had started trading in June 2016. The business provided a number of services including audio mixdown and mastering; bespoke audio production; sound for moving image; voice reel production; and commercial a/v. In addition, Mr Abrahams would provide live audio engineering throughout the UK, either himself or using contracts.

The project was to purchase additional equipment and would create one full time job.

Enterprise Lancashire had provided the applicant with business support and had approved the business plan.

**AGREED**

That a start-up grant of £1,711 be awarded to Sam Abrahams in support of Audio Visual Department T/A That Cow.

**REASON**

***The business appears sustainable and will contribute to the Council's priorities of creating jobs and sustaining strong economic growth.***

#### **4. GRANTS FOR GROWTH**

The Panel was provided with a project summary, including information on the background of the company with regard to the following applications –

##### **(a) SGL Co-Packaging Limited**

SGL Co-Packaging Limited was a full-service co-packing and co-manufacturing specialist company. The company was currently installing a new packing line which would enable it to fill, pack and dispatch a new design of box for the UK discount retail sector which they did not currently have the capability to do.

There was insufficient space for the new line at their existing building, so they had taken a lease on new premises. The new facility required extensive work to enable them to operate from the premises.

The Grants for Growth funding was for the cost of racking. Other sources of funding were also being sought.

The total project would create 17 full time equivalent jobs. The Grants for Growth funding would account for four of these jobs.

##### **AGREED**

That a grant of £10,000 be awarded to SGL Co-Packaging Limited.

##### **REASON**

***The project will contribute to the Council's priorities of creating jobs and sustaining strong economic growth.***

##### **(b) VWM Limited**

VWM Limited was established in 1981 and currently had a number of services including manufacturing bespoke CNC machines to the customers' specification. In addition, they could also retrofit new technology to old CNC control systems.

The business had successfully expanded over the previous three years and, to sustain this growth, they planned to purchase additional machinery.

The funding bid was for the purchase of a laser tracker.

As a result of the project, the business would create two full time skilled jobs.

##### **AGREED**

That a grant of £6,000 be awarded to VWM Limited.

##### **REASON**

***The project will contribute to the Council's priorities of creating jobs and sustaining strong***

***economic growth***

**(c) Merc Aerospace Limited**

Merc Aerospace Limited was a precision component manufacturer which offered CNC machining service, subcontract inspection service and assembly capability to a wide range of industries. They had established themselves as an aerospace subcontractor with 5-axis capability.

The project was to purchase a further 5-axis machine.

As a result of the project, the business would create five full time posts and safeguard a further 48 jobs.

**AGREED**

That this application for a grant be refused.

**REASON**

***Due to concerns over the financial stability of the business.***

**5. PENDLE BROWNFIELD SITES FUND**

**(a) Background Information**

The Panel received a report which provided background information to the Pendle Brownfield Sites Fund. The Fund had been established in June 2016 to assist in making brownfield sites viable for the development of new housing.

The Fund could offer site owners/developers a grant of up to £10,000 per house built for up to ten houses per site.

All applications to the Fund would be considered against a set of criteria which had been agreed by the Council's Executive, details of which were provided in the report.

When considering the development appraisals, consideration would be given to what constitutes an acceptable level of developers' profit. If the level of profit became too low, schemes would not be able to attract bank funding and developers were often unable to accept the risk of proceeding with the development. However, it was also important for schemes not to overly profiteer from the public purse and further guidance was provided.

It was recommended that the Panel used this as a guide when making decisions regarding the level of grant awarded.

**AGREED**

- (1) That the background information and the grant criteria agreed by the Executive be noted.
- (2) That the level of developer profit that is deemed to be reasonable and sufficient to make a project viable in most circumstances be noted.

**(b) Applications**

The Panel was provided with a brief project description and a summary of the assessment against the agreed criteria with regard to the following applications -

**(i) Bank Street Joinery Works, Barnoldswick**

The site of a former joinery works was bought by the current owner in 2010. Planning permission had been awarded for the erection of 5 x 2 bedroom terraced dwellings with landscaping and parking.

All the agreed criteria had been met except for the receipt of one piece of evidence. This would be provided at the appropriate time.

**AGREED**

That a total grant of £11,710 be awarded (£2,342 per dwelling).

**REASON**

*To encourage the scheme to proceed by improving its financial viability.*

**(ii) Former Harpers Inn, Fence**

The site owners bought the site in 2012 as a derelict pub. The pub had since been demolished and there was planning permission in place for the development of 6 x 3 bedroom dwellings with attached garages and/or off street parking provision.

All the agreed criteria had been met except for the receipt of one piece of evidence. This would be provided at the appropriate time.

It was noted that the construction costs included drainage and infrastructure costs and other external work costs. The site also required some fairly substantial piling due to underlying coal seams.

**AGREED**

That a breakdown of the construction and abnormal costs be circulated to members of the Panel for further consideration.

**REASON**

*To help accurately assess the viability of the site.*

**6. COLNE BUSINESS IMPROVEMENT DISTRICT**

Chris Kolek of Kolek Consulting attended the meeting to present his findings of a Colne Business Improvement District (BID) feasibility study, which had been undertaken at the Council's request.

The study had included interviews with 50 Colne businesses across a variety of sizes/types/locations and also with key stakeholders in Colne. The aim was to gauge opinion and

## Gearing up for Growth Grants Panel (07.11.2016)

assess the existing attitudes of business ratepayers towards the idea of a BID for Colne. The study also began to explore the technical and financial feasibility of establishing a BID in the town.

The following four options had been considered and these were illustrated on maps provided in the report -

- A. Town Centre
- B. Wider Town Centre
- C. Commercial District (including Boundary Mill)
- D. Wider Commercial District (with Boundary Retail Park)

The analysis had found that options B and C were particularly strong and of an optimum size and scale and were therefore the recommended options for developing a BID proposal.

Following questions, it was explained that certain categories could be taken out of the proposal, i.e. commercial and industrial buildings, with emphasis placed on retail only.

The next stage of the BID development was the planning and consultation stage which would take approximately 9 to 12 months. This was unlikely to be able to be carried out in house due to the substantial time demands and therefore external consultants may need to be appointed at an estimated fee of £20-£25,000.

### **AGREED**

- (1) That the Colne BID feasibility study be noted.
- (2) That the matter be referred to the Executive for a decision on how to proceed.

### **REASON**

***A decision on the potential BID area will allow the process to be taken to the next stage.***

### **7. ANY OTHER BUSINESS**

- The Employer Engagement Officer reported on the successful Pendle Business Week that had been held in October.

Thirty one delegates attended twelve seminar and workshop sessions. In addition, 40 delegates attended the Pendle Tourism Conference and 62 were present at the Lancashire Hotspots Event, held at the Fence Gate Inn, Fence.

- It was noted that the Business Development Officer was soon to leave the post and so the Panel took the opportunity to thank her for her valued work over the years.

CHAIRMAN \_\_\_\_\_