

Industrial Development Act 1982

Annual Report

**by the Secretary of State for Trade and
Industry, the First Minister of the Scottish
Executive, and the First Minister of the
National Assembly for Wales
for the year ended 31 March 2005**

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the First Minister of the Scottish Executive,
and the First Minister of the National Assembly for Wales
for the year ended 31 March 2005

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

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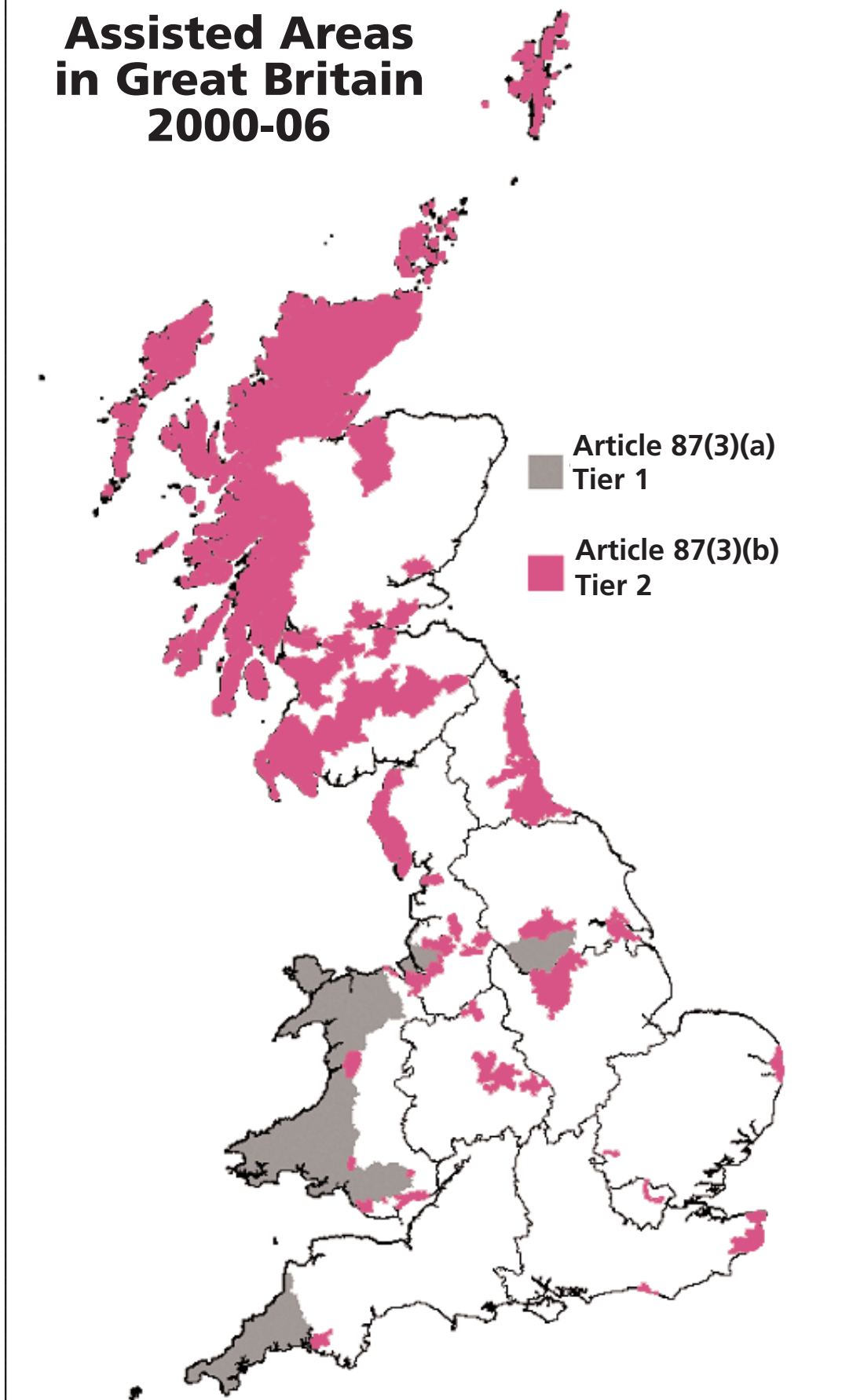
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Abbreviations

AIGS	Assembly Investment Grant Scheme
BVM	Business Volunteer Mentoring
CDFIs	Community Development Finance Institutions
CDVF	Community Development Venture Fund
DTI	Department of Trade and Industry
ECSC	European Coal and Steel Community
EGS	Enterprise Grant Scheme
EMDA	East Midlands Development Agency
EU	European Union
GO	Government Office
IDAB	Industrial Development Advisory Board
IDB	Industrial Development Board
ISERBS	Iron and Steel Employees Re-adaptation Benefit Scheme
LDA	London Development Agency
NFEA	National Federation of Enterprise Agencies
NWDA	North West Development Agency
OECD	Organisation for Economic Co-operation and Development
PDF	Phoenix Development Fund
POL	Post Office Limited
R&D	Research and Development
RDA	Regional Development Agency
RIDB	Regional Industrial Development Board
RSA	Regional Selective Assistance Scheme
RVCF	Regional Venture Capital Fund
SBS	Small Business Service
SEEDA	South East England Development Agency
SFIE	Selective Finance for Investment in England
SIPBP	Support to Implement Best Business Practise
SIDAB	Scottish Industrial Development Advisory Board
SI	Statutory Instrument
SMEs	Small and Medium Sized Enterprises
UK	United Kingdom
WDA	Welsh Development Agency
White Paper	White Paper on Enterprise, Skills and Innovation ‘Opportunity for All in a World of Change’ (Cm 5052) published in February 2001.

Assisted Areas in Great Britain 2000-06



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

Industrial Development Act 1982

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

Introduction

1. As required by sections 11 and 15 of the Industrial Development Act 1982, this Report for the year ended 31 March 2005 describes the exercise of powers under the Act, including the powers under past legislation which the Act consolidated. Sections 11 and 15 of the Act are reproduced at **Appendix 1**.
2. As a result of the devolution legislation (the Scotland Act 1998, the Government of Wales Act 1998 and SI 1999/672), from 1 July 1999 some powers under the Act have been exercised in Scotland by the First Minister of the Scottish Executive, in Wales by the First Minister of the National Assembly for Wales and, concurrently throughout the UK, by the Secretary of State for Trade and Industry.

Assistance Under Section 7

3. Section 7 of the IDA 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 was to encourage sound projects, which would improve employment opportunities in the Assisted Areas (see map on page iv).
4. Section 7 assistance is currently provided thorough the Selective Finance for Investment in England (SFIE) product in England, and by the Regional Selective Assistance (RSA) scheme in Scotland and Wales.
5. Applications for both RSA and SFIE were assessed against the following criteria:
 - a) **Location** – Projects must have been undertaken in the Assisted Areas;
 - b) **Need (additionality)** – Applicants need to have demonstrated that a grant was necessary to enable the project to proceed;
 - c) **Eligible investment** – The project must have involved capital expenditure on fixed assets, such as property, plant and machinery. Expenditure could relate to expansion, modernising or the establishment of a new company;
 - d) **Jobs** – The project must have created or safeguarded sustainable long term jobs except in England where for cases below £100,000 this is optional. But projects which were likely to create overcapacity or which simply displaced jobs elsewhere in the UK, or aimed to relocate jobs from one part of the country to another, were not eligible for assistance;
 - e) **Viability** – Businesses and projects should have been viable; and the project would normally have been expected to become self sustaining within three years;
 - f) **Quality** – Four key factors were amongst those used to determine the quality of projects: wage levels, sustainable employment, value of R&D and training;
 - g) **National and Regional benefit** – All projects should have contributed positive benefits to both the regional and national economies;
 - h) **Prior commitments** – Project appraisal must have been completed and a formal offer of assistance issued before the applicant entered into a commitment to proceed with the project; and
 - i) **Other funding** – The greater part of the funding for the project should have been met by the applicant or come from other sources in the private sector.

6. Applications for SFIE additionally focused on delivering growth in productivity and improvements in the skills base, using the following criteria:

- j) **Productivity** – the project must have delivered an improvement in productivity based on the value of Gross Value Added (GVA) per Full Time Equivalent (FTE) employee against the sector and national averages;
- k) **Skills** – the majority of jobs must have been at NVQ level 2 (or equivalent) or above.

7. However an allowance of 10% of the budget may have been used to support projects, which did not meet these skills and productivity criteria, in particularly deprived areas.

8. The powers to provide SFIE in England were exercised by the Secretary of State for Trade and Industry. In Scotland and Wales, the First Minister of the Scottish Executive and the First Minister of the National Assembly for Wales exercised powers to provide RSA. SFIE replaced RSA in England from 1 April 2004.

9. Set out below are brief details of financial assistance to industry applications received and offers accepted during 2004/5. Offers may relate to applications received in previous years.

Regional Selective Assistance

Table 1

	Applications Received		Offers Accepted	
	No.	Value £('000)	No.	Value £('000)
England	0	0	114	74,415
Scotland	220	124,098	163	69,839
Wales	153	94,446	116	49,610
Great Britain	373	218,544	393	194,864

Selective Finance for Investment in England

Table 2

	Applications Received		Offers Accepted	
	No.	Value £('000)	No.	Value £('000)
	523	147,602	219	36,415

Rover Task Force

10. Elements of the support package to address the potential loss of the Rover car plant in Birmingham were provided under sections 7, 8 and 11. (See Assistance Under Section 11 for detail.)

Assistance Under Section 8

Section 8 Financial Limit

11. Section 8(5) of the Industrial Development Act 1982 initially limited to £1,900 million the sums paid, and liabilities under any guarantees given, by the Secretary of State under section 8, and provided that the limit may be increased on not more than four occasions by tranches of up to £200 million each. Authority to increase the statutory limit for the fourth and final time from £2,500 million to £2,700 million was obtained on 10 March 2003¹ through an Affirmative Resolution of the House of Commons. The Financial Assistance For Industry (Increase of Limit) Order 2003 came into effect on 25 March 2003². (The limit was first increased to £2,100 million by S.I. 1996/569, to £2,300 million by S.I. 2000/995, and to £2,500 million by S.I. 2002/151.).

12. As a limit of £2,700 million was the maximum possible under the 1982 Act, a bill to amend the limits in section 8(5) was introduced into Parliament during the reporting year 2002/2003 and the Industrial Development (Financial Assistance) Act 2003 received Royal Assent in May 2003. This Act amended section 8(5) of the 1982 Act by increasing the initial ceiling on financial assistance from £1,900 million to £3,700 million, and the subsequent four tranches from up to £200 million each to up to £600 million each.

Section 8 Schemes

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

Enterprise Grant Scheme

14. The Enterprise Grant Scheme (EGS) in England began on 1 January 2000. It was a simplified discretionary scheme for Small and Medium Enterprises (“SMEs”) in the Assisted Areas (“Tier 1” and “Tier 2”) and in specified non-Assisted Areas (“Tier 3”). Those three tiers were referred to collectively as Enterprise Grant Areas. The total amount paid out in England during 2004/2005 was £9.17million. The Enterprise Grant Scheme closed for new applications on 31 March 2004, and was replaced by the SFIE Product. This was available at the discretion of the RDAs in Tier 3 Areas.

Assembly Investment Grant Scheme

15. The Assembly Investment Grant (AIG) was launched in Wales on 1 April 2002. This streamlined scheme operates along similar lines to RSA, although there are some major differences. Operating under Section 7 of the Act in the Assisted Areas and Section 8 in the non-assisted areas, it is available only to SMEs and addresses the needs of smaller businesses throughout Wales by providing easier and less costly access to grant assistance, with simpler procedures and faster turnaround times for applications and claims. Like RSA, capital investment is a prerequisite, but unlike RSA, an AIG project does not necessarily need to create new jobs – the objective being to encourage indigenous businesses to set up or become more competitive by carrying out eligible investment projects. Grants of between £5,000 and £50,000 are available. Table 3 provides details for 2004/2005.

Further details are at **Appendix 4**

¹ Hansard (2002/03) No 401, c130-131.

² SI No 2003/849.

Table 3**2004/2005**

Number of applications received	507
Value of applications £'000	17,496
Number of offers accepted	303
Value of offers accepted £'000	9,099
Associated project costs £'000	30,743
Payments £'000	8,280

Enterprise Fund

16. 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. All elements of the Enterprise Fund are administered through the Investment and SME Finance Directorate. The budget provides flexible support for innovative proposals from the finance industry that meet particular SME financing needs. The main elements of assistance are:

Small Firms Loan Guarantee Scheme

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

18. During the year, participating banks and other financial institutions provided loans over periods of between 2 and 10 years. Lenders take all the responsibility for commercial decisions affecting borrowers. The SFLG is open to eligible businesses, including start-ups. New businesses or businesses that have traded for less than 2 years may borrow up to £100,000. Those that have traded for more than two years can borrow up to £250,000. The guarantee level for all applications is 75%. In return for the guarantee, the borrower paid a 2% premium to the DTI.

19. Loans of up to £50,000 from some of the approved lenders are subject to simplified administrative procedures, which enable the lender to approve applications without first referring them to the DTI, thus speeding up the lending decision.

20. In the Pre-Budget Report (10 December 2003) the Government announced an independent review of the Small Firms Loan Guarantee to ensure that small firms seeking debt finance got the help that they needed. The review was completed and the recommendations were published on 4 October 2004. Government accepted and agreed to implement the 38 recommendations. The Small Business Service is working closely with the lenders to implement the project by the end of 2005. Until that time the SFLG will run under the current rules.

Table 4**Guarantees Issued from Inception in June 1981 to 31 March 2005 by Country/Region.**

Country/Region	Number	Value (£'000)
Scotland	8,221	432,803
Wales	4,939	191,351
East Midlands and East	13,022	581,762
London and South East	28,635	1,266,820
North East	3,911	144,282
North West	9,692	408,959
South West	11,809	456,083
West Midlands	8,484	337,217
Yorkshire and the Humber	7,393	306,603
Northern Ireland	894	54,678
Total	97,000	4,180,558

Table 5**Guarantees Issued from 1 April 2004 to 31 March 2005 by Country/Region**

Country/Region	Number	Value (£'000)
Scotland	643	42,748
Wales	344	21,607
East Midlands and East	1,162	78,398
London and South East	2,007	141,399
North East	236	15,334
North West	745	54,415
South West	748	46,313
West Midlands	636	39,714
Yorkshire and the Humber	565	37,364
Northern Ireland	44	4,032
Total	7,130	481,324

UK High Technology Fund

21. The UK High Technology Fund (UKHTF) was established to encourage institutions to invest in early stage, high technology venture capital and to increase the amount of finance available for investment in early stage technology based businesses. The 1998 Competitiveness White Paper announced the creation of the £180million Enterprise Fund to stimulate more finance for small businesses and address market weakness in the provision of that finance.

22. The fund was also set up to address the lack of investment available to early-stage, technology focused businesses, critical for their growth. £106.1million has been raised from private sector investors alongside £20million of Government cornerstone investment. This surpassed the original target of a total fund of £125million.

23. In 2004 the UKHTF invested £19.31million in 34 companies. As at 31 December 2004, over £82.19 million has been committed to 9 specialist venture capital funds. These venture capital funds have in turn made investments in 192 companies.

Regional Venture Capital Funds

24. The Regional Venture Capital Funds (RVCFs) have been set up to address the “equity gap” encountered by SMEs seeking small scale (£500,000 and below) investment. There are 9 RVCFs, one in each English Region, and all are managed by experienced venture capital professionals, on fully commercial terms.

25. All of the 9 regional funds are operational, and 9 Limited Partnership Agreements have been signed to the value of £74.375 million. All Funds will be closed by 2015.

26. In the year 2004/2005 £19,675,000 was drawn down by the RVCFs from the DTI. As at 31 March 2005, and since the launch of the first RVCFs in 2002, a total of £50,412,500 had been drawn down from the DTI.

Early Growth Funding

27. The Early Growth Fund (EGF) programme was developed to encourage risk funding for start-ups and growth firms. The objective of the programme is to increase the availability of small amounts of risk capital (averaging around £50,000) for innovative and knowledge intensive businesses, as well as for other growth businesses.

28. All EGFs were operational by March 2004. As at 31 March 2005 the Early Growth Funds had drawn down £8,464,885.27.

Phoenix Fund

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

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

30. Support for Community Development Finance Institutions, the Community Development Venture Fund and the Business Incubation Feasibility Study Grants have section 8 as their statutory basis.

Support for Community Development Finance Institutions (CDFIs)

31. The aim of this programme is to support Community Development Finance Institutions (CDFIs) in their role as intermediaries that exist to improve the availability of business finance to SMEs operating within disadvantaged communities. In particular CDFIs seek to lend money to SMEs who are unable to access finance from traditional sources because they are unable to offer the track record or security generally required by lenders.

32. Funding for CDFIs has been made available through three competitive bidding rounds during years 2001 to 2004. From these bidding rounds over 60 CDFIs have been awarded support totaling in excess of £43 million.

33. Across the programme £11.9 million was drawn down in 2004/2005, with the cumulative draw down at 31 March 2005 standing at £25.3 million.

Community Development Venture Fund (CDVF)

34. The Community Development Venture Fund (CDVF) was created in response to a recommendation from the Social Investment Taskforce. The CDVF, also known as “Bridges”, is a £40 million fund that is a source of venture capital to small and medium-sized enterprises which are capable of substantial growth and which are located in the 25% most deprived wards in England.

35. In 2004/2005 the CDVF invested £4.9million, and the CDVF has invested almost £10.3million since its launch.

Rover Task Force

36. See Assistance Under Section 11 for detail.

UK Coal Operating Aid Scheme

37. The UK Coal Operating Aid Scheme (“the Scheme”) was approved by the European Commission under the terms of the European Coal and Steel Community Treaty (ECSC) Treaty and the Coal State Aid Code in November 2000. The Scheme provided short term operating subsidies in three tranches covering the period 14 April 2002 to 23 July 2002 (later extended by a further tranche to the end of 2002). The objective of the Scheme was to help those elements of the coal industry with a viable future in the long term to overcome short term market problems arising from low prices of internationally traded coal and uncertainty due to change in the UK’s electricity generation market; and to prevent a sudden and sharp decline in the size of the industry.

38. The scheme expired in December 2002, with most payments having been made by March 2003. In the period 1 April 2004 to 31 March 2005, payments of £387,000 and £373,400 were made to one operator to cover their outstanding Tranche 2 and Tranche 3 applications. A total of £165.2 million has been paid to coal producers under the scheme since 2000.

39. A further operating aid scheme would not be introduced. On 16 July 2002, the Secretary of State announced that there was to be a consultation on the case for an investment aid scheme. The new European Council Regulation on State aid to the coal industry (1407/2002), which came into force on 23 July 2002 following the expiry of the ECSC Treaty, allows for investment aid to cover up to 30 per cent of the costs of investment projects at mines.

UK Coal Investment Aid Scheme

40. The Coal Investment Aid Scheme (“the Scheme”) was approved by the European Commission on 24 June 2003 as “aid for initial investment” under Article 5(2) of the European Council Regulation No. 1407/2002 on State aid to the coal industry (“the Regulation”).

41. The aim of the Scheme being to create or safeguard jobs in the UK coal industry within socially and economically disadvantaged areas by encouraging coal producers to enter in to commercially realistic investment projects which maintained access to coal reserves for projects that would otherwise not go ahead.

42. Successfully approved projects would receive an allocation of up to 30% funding with the mine operators financing the balance of the costs themselves. The award money would become payable as progress was made on the selected projects, and expenditure was incurred and defrayed.

43. The scheme was launched on 16 June 2003, with a budget of up to £60 million to be allocated in three application periods and spent by 31 December 2008. Application Period 1 closed on 31 July 2003. Period 2 closed on 1 June 2004. Period 3 was provisionally set to close on 31 May 2005, although that was subject to official confirmation.

44. In the period 1 April 2004 to 31 March 2005 a total of £17.5 million was offered to 10 successful applicants. This included an increased Period 1 offer of £2.2 million (from £1.1 million) to 1 applicant and Period 2 offers amounting to £16.5 million for 9 out of the 12 applicants, these were:

Table 6

Applicant	Mine/ Production	CIA Award Period 1	CIA Award Period 2	Jobs Created	Jobs Secured
UK Coal plc	Daw Mill (Warwickshire)	9.6 million	1.3 million	-	543
UK Coal plc	Thoresby (Nottinghamshire)	2.9 million	2.1 million	-	509
UK Coal plc	Welbeck (Nottinghamshire)	5.2 million	2.5 million	-	528
UK Coal plc	Kellingley (North Yorkshire)	7.2 million	2.3 million	-	630
UK Coal plc	Harworth (Nottinghamshire)	4.6 million	1.7 million	-	511
Coalpower Ltd	Hatfield (South Yorkshire)	15.0 million (See Note 1)	-	-	-
UK Coal plc	Rossington (South Yorkshire)	3.2 million	1.4 million	-	386
UK Coal plc	Maltby (South Yorkshire)	2.4 million	2.7 million	-	528
Eckington Colliery Partnership	Eckington (Derbyshire)	0.063 million	0.014 million	4	25
		0.099 million (See Note 2)		4	
Hayroyds LLP	Hay Royds (West Yorkshire)	0.14 million	- (See Note 3)	-	12

Energybuild Ltd	Aberpergwm (South Glamorgan)	1.1 million	2.4 million	100	78
Tower Colliery Ltd	Tower (Mid Glamorgan)	2.2 million	- (See Note 4)	-	420
UK Coal plc	Ellington (Northumberland)	2.2 million (See Note 5)	-	-	-
		55.8 million	16.5 million	104	4,170

Note 1 – Period 1 offer lapsed on 30 April 2004. Period 2 application did not comply with CIA requirements & was refused.

Note 2 – Additional Period 2 award made on 23 March 2005 as available funds were exhausted following a roof fall at the mine in October 2004.

Note 3 – Company went through re-structuring during Period 2 application process. No formal application received.

Note 4 – Period 2 application refused on grounds that it did not comply with CIA requirements.

Note 5 – Period 1 offer increased to take account of revised mining plans. Period 2 application refused. Closed in January 2005 due to extensive flooding.

45. Acceptances were received for all but 1 of the Period 1 offers and for all those that were successful in Period 2. A total of £57.5 million has been made available to mines in Nottinghamshire, Yorkshire, Warwickshire, & South Wales. This was expected to safeguard 4,170 jobs and create at least 100 new employment opportunities at an average cost per job of £13,500.

46. As at 31 March 2005, more than £21 million had been paid in instalments to all beneficiaries upon receipt, evaluation & approval of their periodic claims for Coal Investment Aid.

47. Payments made during the period 1 April 2004 to 31 March 2005 were:

Table 7

Applicant	Mine/Production Unit	CIA Payment (£)
UK Coal plc	Daw Mill Colliery (Warwickshire)	£2,382,592
UK Coal plc	Thoresby Colliery (Nottinghamshire)	£1,439,466
UK Coal plc	Welbeck Colliery (Nottinghamshire)	£3,455,256
UK Coal plc	Kellingley Colliery (North Yorkshire)	£3,895,227
UK Coal plc	Harworth Colliery (Nottinghamshire)	£2,619,739
UK Coal plc	Rossington Colliery (South Yorkshire)	£1,920,618
UK Coal plc	Maltby Colliery (South Yorkshire)	£2,179,801
Eckington	Eckington Colliery (Derbyshire)	£47,896
Energybuild Ltd	Aberpergwm Colliery (South Glamorgan)	£379,294
Tower Colliery Ltd	Tower Colliery (Mid Glamorgan)	£2,215,000
UK Coal plc	Ellington Colliery (Northumberland)	£849,620
Total		£21,384,509

Payments To Redundant Steelworkers (ISERBS)

48. The scheme was announced in May 2001 as part of a package of measures to alleviate the impact of large scale redundancies in the steel industry. Section 8 is the legal basis for ISERBS as it provides for assistance to encourage arrangements for ensuring that any contraction of an industry proceeds in an orderly way.

49. ISERBS (Iron and Steel Employees Re-adaptation Benefit Scheme) provides a single lump sum payment of £2,480 to redundant steel workers to help them overcome the initial impact of redundancy. The scheme is derived from the European Coal and Steel Community (ECSC) Treaty which, at article 56, specifically provided for social aid to workers affected by restructuring in the steel industry. Eligibility criteria for the payment are derived from a 1989 bilateral convention with the European Commission.

50. The scheme applies to workers made redundant, or whose redundancy was announced, in the period 1 January 2000 to 23 July 2002 (when the ECSC Treaty terminated), but also included all workers affected by the Corus restructuring announcement of 1 February 2001, whenever they leave. Around 50 workers remain eligible for the payment under these rules and it is anticipated that the final payments due under the scheme will be made by April 2006.

51. In 2004/2005 payments were made to 85 individuals at a cost of £210,900. Over the life of the scheme payments have been made to 13,130 individuals at a cost of £32.54 million.

UK Coal Redundancy Payments at the Selby Complex

52. On 16 July 2002, UK Coal Plc (formerly RJB Mining) announced that production at the Selby coalmine complex in North Yorkshire was to be phased out, with complete closure due by the spring of 2004. The complex consists of three separate mines – Riccall, Stillingfleet and Wistow – together with a coal preparation plant at Gascoigne Wood. UK Coal took the decision to close the mines because of deteriorating geological conditions and continuing financial losses, and concluded that there was no prospect of them becoming viable. The Selby Complex finally closed in October 2004.

53. The total redundancy costs to UK Coal were estimated to be £42 million. On 16 July 2002, the Secretary of State for Trade and Industry announced the Government's intention to pay £10 million to support the company to allow it to extend pre-privatisation redundancy terms until March 2005. Formal application for approval to pay this amount was made to the European Commission on 6 January 2003 and was approved on 27 May 2003.

54. The principle of Government support for redundancy payments in the coal and steel sectors lies in the European Coal and Steel Community (ECSC) Treaty, which expired on 23 July 2002. The Government has already made use of the provisions of the ECSC Treaty in similar circumstances to make special payments to steel workers following the announcement of a programme of job cuts and closures by Corus in 2001.

55. The £10 million was paid to UK Coal in instalments. The first payment of £1.8 million was made in June 2003; the second payment of £1.3 million was made in September 2003; the third payment of £1.7 million was made in December 2003; the fourth payment of £4.1 million was made in March 2004; the final payment of £1.1 million was paid in April 2004.

Urban Post Office Reinvention Programme

56. On 15 October 2002, the Government was authorised by Parliament to provide up to £210 million to Post Office Limited (POL) to implement its programme to restructure the network of urban sub-post offices*.

57. The requirement for funding of POL's programme was borne from the Performance and Innovation Unit's report of 2000, which recommended that, if the Post Office decided that fewer offices were needed in some urban areas, the Government should provide financial assistance to the Post Office to ensure that sub-postmasters affected are adequately compensated for the loss of value of their business.

58. Up to £180 million was made available to meet the costs of compensation to sub-postmasters whose offices close under the terms of the programme. A further £30 million was made available on a broadly matched-funding basis, for modernising and adapting those offices which remain and which see a significant increase in business as a consequence of local closures under the programme.

59. The programme, which is administered by POL, is UK-wide but relates only to the urban network of post offices located in communities of more than 10,000 inhabitants.

60. At inception it had been anticipated that the programme would run for three years, however, to help minimise uncertainty about the future shape of the network in urban areas, the pace of the programme was stepped up and POL completed public consultation on all closure proposals by the end of 2004.

61. Decisions have been announced in all but a handful of cases and it is expected that around 2,500 urban sub-post offices will close under the programme. However, POL anticipates the need to continue to draw on the remaining Government funding for further work in areas where additional restructuring or investment is required to accommodate the local need.

62. The spend profile for the programme below has been adjusted to show the cumulative actual spend in 2002/03, 2003/04 and 2004/05.

Table 8

	Actual	Actual	Actual	Forecast	Forecast
	2002/03	2003/04	2004/05	2005/06	2006/07
Compensation	£14.57m	£63.23m	£149.6m	£30.4m	
Investment Grant	£0.02m	£5.48m	£7m	£18m	£5m
Total	£14.59m	£68.71m	£156.6m	£48.4m	£5m

63. It was always anticipated that there would be some time lag between closure decisions and remaining sub-postmasters committing to improvements to their offices. However, the Government has been disappointed at the continuing slow rate of uptake of the investment grant funding available. POL has established a team dedicated to promoting and supervising the implementation of investment required to upgrade remaining offices and remains confident that the £30 million available will be fully utilised. The Government will continue to closely monitor the take up of investment grant funding. There is no set end date for the scheme and currently it is expected that these funds will be made available until 2006-2007 unless fully committed sooner.

* The Hansard transcript of the 15 October 2002 debate on providing Section 8 funding for the Urban Post Office Reinvention Programme can be accessed at www.publications.parliament.uk by selecting - House of Commons publications on the internet - Daily Debates including oral and written questions - Session 2001-02. The transcript is contained within Volume 390, Column 228-256

Assistance Under Section 11

Small Business Service

64. The Small Business Service (SBS) is an agency of the DTI and was established in 2000. The SBS' prime role is to be the Government's centre of expertise on issues affecting small business, an innovator - of new ideas, new policies, new interventions in the market and an engine for change within Government, making sure that the Government's investment in the small business sector brings about greater growth in the economy.

65. The SBS's part in taking forward Government policy on small business was set out in Small Business and Government - The Way Forward (www.sbs.gov.uk/strategy), published in December 2002, and setting out the policy framework for a Government-wide approach to helping small firms. The Prime Minister, the Chancellor of the Exchequer, and the Secretary of State for Trade & Industry jointly endorsed the strategy.

66. It identified seven strategic themes as key drivers for economic growth, improved productivity and a wider involvement in enterprise for all:

- Building an enterprise culture;
- Encouraging a more dynamic start-up market;
- Building the capability for small business growth;
- Improving access to finance for small businesses;
- Encouraging more enterprise in disadvantaged communities and under-represented groups;
- Improving small businesses' experience of government services;
- Developing better regulation and policy;

67. These strategies were brought together as the "Government Action Plan for Small Business" published on 8 January 2004. The plan marshalled the whole of government behind the small business agenda for the first time and put the UK well on the way to the UK becoming the best place in the world to start and grow a business.

68. As a result of the Action Plan:

- Schools are now providing students with a better awareness of enterprise opportunities and of how to start a business;
- SBS and DfES have joined forces to establish the National Council for Graduate Entrepreneurship to ensure that graduates get the advice they need;
- The Management and Leadership Programme announced in the Skills Strategy, aimed at SMEs, is being rolled out;
- Common commencement dates for regulatory changes being extended across government to new areas of domestic law (eg health and safety, consumer and environmental law) to reduce the impact of regulatory change.

Business Link Operators

69. Business Link is the customer-facing brand providing access to the range of Government sponsored business support directed primarily towards small businesses. The 45 Business Link Operators were selected following a rigorous bidding process, with strong small business representation on regional and national assessment panels.

70. Business Link offers help to a wide range of customers, from those wishing to become self-employed or start up their own business, to existing employers with up to 250 staff.

71. Business Links helped a total of 607,626 customers during the 12 months ending September 2004. This was the highest 12 month performance figure so far and represents a penetration rate (using the improved market penetration measure reflecting support provided to people thinking or in the process of starting a business as well as established businesses) of 33.9%.

72. Overall customer satisfaction with Business Link services climbed to new heights during 2004/05 and stands at 90%; which is a 2 percentage point increase on 2003/04 and a 9 percentage point improvement overall since 2001/02. In addition to the improved overall customer satisfaction, nearly 92% of customers would be likely to use Business Link again and nearly 96% would be willing to recommend Business Link if asked.

73. It was planned that in April 2005 the English Regional Development Agencies (RDAs) would take over responsibility for the network of 45 Business Links whilst SBS retained responsibility for the Business Link brand.

74. To find out more about the SBS and Business Links, visit the websites at www.businesslink.gov.uk and www.sbs.gov.uk

Phoenix Fund

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

Phoenix Development Fund (PDF)

76. The PDF had 2 new bidding rounds in 2004/2005. The first invited Housing Associations to bid for funding to run pilot projects working with a range of local partners in disadvantaged communities to provide support to start-ups, existing small businesses and social enterprises. 8 Projects were supported in 5 regions across England. The second round invited organisations to apply for funding to run enterprise-related projects to explore innovative ways of encouraging and supporting people with mental health conditions to become self-employed. 13 Projects were successful. Funding for both rounds were planned to run until March 2006.

77. The 26 projects funded under the “Building on the Best” round of PDF continued their progress, development and success in promoting enterprise to disadvantaged communities and under represented groups. This funding was also planned to run to March 2006.

Business Volunteer Mentoring

78. The Business Volunteer Mentors (BVM) scheme is funded by the Phoenix Fund through the Small Business Service and is a Business Link branded service, managed nationally by the National Federation of Enterprise Agencies (NFEA). The programme is delivered locally by Enterprise Agencies and other business support organisations, and provides free of charge mentoring from volunteers to assist and support pre-start, start-up and micro businesses. During 2004/2005, £1.3 million was provided for the BVM initiative.

Business Incubation Feasibility Study Grants

79. On 5 November 2003, the SBS announced the introduction of Business Incubation Feasibility Study Grants, which aimed to support organisations that wished to develop a business incubation project in England to undertake a feasibility study by external experts. The Small Business Service (SBS) had made £0.5m available for this initiative of which £360,000 was funded from the Phoenix Fund.

80. The type of support that was available was as follows:

- A grant not exceeding £30,000 to cover up to 70% of the cost of a feasibility study for a planned incubation project, which would operate in one of the 88 local authority districts, covered by the neighbourhood Renewal Strategy;
- A grant not exceeding £20,000 to cover up to 50% of the cost of a study in other areas and for studies involving virtual / without walls incubation projects.

81. The process was competitive, with applications being received in two tranches – March 2004 and July 2004. The initiative proved very successful with over 40 organisations being given grant funding in financial year 2004/2005.

Rover Task Force

82. The Rover Task Force was set up in 2000 to look at the potential effects on the region's economy of the then expected decline of Rover and its supply industry – which was a severe risk at the time of the BMW withdrawal from the company. Its aim was to address how both the region's automotive supply chain could be supported, and how the region's manufacturing base could be helped to modernise and diversify.

83. The Task Force is led by Advantage West Midlands which produced two reports, an Interim and Final, during 2000. The Interim Report was designed to provide a quick response, recommending a range of support to automotive component suppliers in the region, limited to the financial year 2001-2002. The Final Report identified a variety of initiatives to support the diversification and regeneration of the region's economy and build on the support provided through the Interim Report to modernise the automotive base. In total £58.6 million has been made available for a range of initiatives to modernise, regenerate and diversify over a five year period ending March 2006, of which £11.3 million of resource was consumed in 2004-05.

84. The various initiatives in the main provide advice and consultancy support to the region's SMEs (provided under Section 11 of the Industrial Development Act 1982) but also include elements of capital grant and access to finance (provided under sections 7 and 8 of the Industrial Development Act 1982) to help implement recommendations and action plans as well as grants or loans to promote careers in industry (provided under section 12 of the Industrial Development Act 1982).

85. Resource consumed in the financial year 2004-05, along with revised figures for 2003-04 is broken down as follows:

	2004-05	Revised 2003-04
Section 7	£ 411,118	£ 2,146,355
Section 8	£ 469,312	£ 490,000
Section 11	£10,120,974	£18,607,553
Section 12	£ 328,115	£ 322,661
Total	£11,329,519	£21,566,569

Note: 2003-04 figures have been updated to take account of revisions to final spend figures in that year.

The Intellectual Assets Centre

86. In December 2003 Scottish Ministers announced the set up of a new Intellectual Assets (IA) Centre to help Scottish businesses identify, protect and exploit their intangible and often highly valuable assets. These included brands, employee know-how, trade secrets and technical information as well as formally protected intellectual property such as patents, designs and trademarks.

87. The Centre was funded by the Scottish Executive's Business Growth and Innovation Division (New Initiatives Unit) and was operated by Scottish Intellectual Asset Management Ltd, a company set up for that purpose jointly by Scottish Enterprise and Highlands and Islands Enterprise.

88. The Glasgow-based Centre was the first of its kind in Europe and its main activities were:

- To raise awareness of IA through events, seminars and information provision;
- To identify gaps in the provision of IA support to businesses and identify appropriate solutions, and;
- To provide signposting and advice to companies seeking IA management services.

89. The IA Centre had been fully operational since late August 2004 but some key staff had been in place since April 2004. Assistance of £1,025,000 was provided in 2004/2005.

Support to Implement Best Business Practice (SIBBP)

90. Support to implement best business practice was launched on the 1 April 2004 as part of the Department's Achieving best practice in your business theme. The programme was developed to support the implementation of best practice business development and improvement projects in English Small and Medium Enterprises (SMEs). To this end, a total of £6 million of grant funding was made available for delivery to SMEs, via the national Business Link network, during 2004/5. A maximum of £5,000 per grant was available, which must be 50% match-funded by the recipient. It was used to buy in external expert consultancy to help implement best practice business processes, and consultants must be registered on the National Business Link Consultants Register (NBLCR).

91. As a prerequisite of receiving the grant the participating business must have undertaken a comprehensive business performance diagnostic (based on the proven Benchmark Index) which helped direct the grant to the area(s) of the business where it would have the greatest impact. More than 400 Business Link advisers were trained to deliver the diagnostic in 2004/5.

92. During its first year of operation a total of 3,387 diagnostics were delivered to small businesses, plus a further 259 extension modules - which focus in more detail on a particular aspect of business performance.

93. This led to a total of 878 grants being awarded and expenditure of £4,196,429.88 (based on year-end accruals) against the £6 million budget.

94. A total of £8 million of SIBBP grant funding has been made available for 2005/6.

Assistance Under Section 13

Improvement of Basic Services

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

96. During the year, 4 applications were received and 14 were brought forward from 2003/2004, for grant towards improvement of basic services in the Assisted Areas. At 31 March 2005, grants totalling £252,691 had been approved towards 6 schemes with estimated costs of £842,303. Further details are at Appendix 5.

Assistance Under Part III Of The Industry Act 1972

The Home Shipbuilding Credit Guarantee Scheme

97. The Home Shipbuilding Credit Guarantee Scheme closed to new applications on 1 October 2004. It 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. The Scheme was based on OECD understandings.

98. The Statement of Guarantees for the year to 31 March 2005 was as follows (2003 figures in brackets):

	No. Of Guarantees	Amount of Principal Guaranteed (£)
Guarantees offered in 2004/2005	2 (2)	3,240,000 (3,780,080)
Repayments in year 2004/2005	6 (10)	4,291,061 (23,301,822)
Guarantees current on 31st March 2005	24 (29)	60,276,048 (94,429,536)

99. In the year to 31 March 2005 payments of interest equalisation from the banks totalled £0.3 million net (previous year £1.1 million). These were made to the DTI under the authority of the Industry Act 1975 (section 25).

Commentary on Scotland, Wales, and the English Regions

Scotland

100. During the year, 220 applications for RSA were received and 163 offers accepted to the total value of £69.8 million. These projects were associated with £241.5 million capital investment, and were forecast to create 7,092 jobs and safeguard 2,975 jobs, at an average cost per job of £6,937. These figures compared to 209 applications in 2003/4, with 157 offers accepted to the value of £46.6 million, towards capital investment of £210 million and the creation of 4,017 jobs and the safeguarding of 3,154, at an average cost per job of £6,499.

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

101. The Scottish Industrial Development Advisory Board (SIDAB) was set up under section 20 of the Scottish Development Agency Act 1975, to advise on applications for RSA where the level of assistance is in excess of £250,000.

101. During the year SIDAB met on 11 occasions and a total of 41 cases were considered. The Board recommended that RSA of £67.5 million be offered. These offers were associated with planned capital investment of £246 million and the forecast creation and safeguarding of 9,684 jobs. The average cost per job for these projects was £6,970.

102. In November 2004, the outcome of a Policy and Financial Management Review of SIDAB was announced by the Minister for Enterprise and Lifelong Learning. The review concluded that SIDAB makes a valuable contribution to the consideration of large RSA cases and should continue. However, some minor changes to operating practices were recommended and these are now being implemented.

104. Peter Timms left the Board at the end of December 2004 having completed his final term after serving for 14 years. Pam Stewart also left the Board at the end of the year and I would like to thank both Peter and Pam for their valuable input. As well as myself, Professor Brian Ashcroft, Dr Brendan McGuckin and Lynne Cadenhead were reappointed for a 3 year period from 1 January 2005.

VIKRAM LALL
Chairman

Wales

Government Assistance

105. During the year, 153 applications for RSA were received and 116 offers accepted to the total value of £49.6 million. These projects were associated with £154 million capital investment, and were forecast to create 4,029 new jobs and safeguard a further 2,751 jobs, at an average cost per job of £7,317. These figures compared to 180 applications in 2003/2004, with 144 offers accepted to the value of £98.2 million and the creation of 6,435 jobs and the safeguarding of 2,302, at an average cost per job of £11,235.

106. During the year, 507 applications for Assembly Investment Grant were received and 303 offers accepted to the total value of £9.1 million, towards capital expenditure of £30.7 million. This compares to 739 applications in 2003/2004, with 496 offers accepted to the total value of £15.3 million, towards capital expenditure of £43.2 million.

Report by the Chair of the Welsh Industrial Development Advisory Board

107. The Welsh Industrial Development Advisory Board was set up under section 13 of the Welsh Development Agency Act 1975, to advise Assembly Ministers on applications for RSA where the level of assistance is in excess of £350,000. This threshold was raised from the previous £250,000 in April 2003.

108. The Board met on 13 occasions during the year and advised on 34 applications for grant. The Board recommended that RSA of just over £55 million be offered to assist £414 million of capital investment which was expected to create 3,932 new jobs and safeguard 1,071 others, at an average cost per job of £11,057.

109. The Board noted the downturn in the number of projects but noted that the significance and diversity in the type of investment has continued to support the National Assembly's economic strategy outlined in 'A Winning Wales'. These investments included major developments in the financial services sector and R&D as well as establishing corporate HQ functions in Wales. A range of manufacturing industries was also supported with the common theme of upgrading, upskilling and adding value. The Board noted the slowing but steady uptake of the Assembly Investment Grant scheme which is aimed at small and medium sized enterprises (SME's). The scheme is intended to encourage entrepreneurship and to strengthen and develop the SME's which are the core of the Welsh economy.

110. During the year, Sharon Linnard resigned to take up a Senior Civil Service appointment with the National Assembly for Wales and I took over as Chair in June 2004. The Board would wish to record its thanks for the valuable contribution of Gerry Long who was Acting Chair prior to June 2004. Kerry Diamond and David Williams were appointed to the Board in March 2005.

111. In January 2005, a consultation document was published by the Welsh Assembly Government on the mergers with ELWa (Education and Learning Wales), the WDA (Welsh Development Agency) and WTB (Wales Tourist Board). The consultation period ends in April 2005 and the position and function of the Board is part of this consultation.

VALERIE BARRETT
Chair

The English Regions

Industrial Development Advisory Board and the Regional Industrial Development Boards

112. The Industrial Development Advisory Board (IDAB) is appointed under section 10 of the Industrial Development Act 1982, to advise the Secretary of State on the exercise of his/her functions under sections 7 and 8 of that Act. The main work of the Board was to advise on individual company applications for SFIE, which was available in the Assisted Areas in England, where the grant sought was £2m or over (prior to 1 April 2004 its work was to advise on applications for RSA of £2m or over).

113. There are 7 non-statutory Regional Industrial Development Boards (RIDBs), which have been set up in the English Regions to advise on individual company applications for SFIE (prior to 1 April 2004 RSA) between £250,000 and £1.99 million, except the East of England RIDB, which advises on applications between £100,000 and £1.99 million.

A full list of all Board members can be found at **Appendix 6**.

114. With effect from 1 April 2004, a new regional capital investment product was introduced to replace RSA and Enterprise Grants (EG) in England. Both of these schemes were closed to new applications on 31 March 2004 and were replaced by SFIE. However some applications for RSA, which were received prior to 1 April 2004 were considered during financial year 2004/05.

Industrial Development Advisory Board

Report by the Chairman of the Industrial Development Advisory Board.

115. The Board met five times. 3 new cases were examined: 1 case under the Regional Selective Assistance (RSA) criteria, and 2 cases under the Selective Finance for Investment in England (SFIE) criteria which were introduced for applications made from 1 April 2004. All these cases were considered under section 7 of the Act. The Board found that all cases met the RSA or SFIE criteria, as appropriate, and recommended to Ministers that they should be supported. The Board also considered aspects of another RSA case where its advice was sought in relation to developments affecting the project.

116. The Board noted that as at 31 March 2005, all of the projects were proceeding. The total number of jobs in the 3 new projects were 2,280 of which 117 were new jobs and 2,163 were safeguarded. Total capital investment in Assisted Areas of these projects was expected to be £924.5 million.

117. In addition to the consideration of assistance under section 7, one meeting was held to consider Launch Investment under the Civil Aviation Act 1982, where the Board's advice was sought by the Secretary of State.

118. I am grateful to members of the Board for their contributions and their support during the year. Sir Victor Blank, Ros Hedley-Miller and Sir David Brown retired from the Board during the year and the Board wishes to thank them all for their valuable contributions to the Board's activities over several years. This is particularly so for my predecessor Sir Victor Blank who has served the Board as Chair for 5 of his 6¹/₂ years of membership.

119. We welcomed Dr Brian Count and Karen Jones as members of the Board.

GORDON PAGE CBE
Chairman

East of England

Government Assistance

120. During 2004/05 22 applications for SFIE were received and 11 accepted to a total value of £2,680,000. These were associated with £17,472,000 capital investment with 360 jobs safeguarded and 51 jobs created, at an average cost per job of £6,521.

121. These figures are compared with 20 applications in 2003/04, with 14 grant offers accepted to the value of £6,018,282 towards capital investment of £60,020,000 and the creation of 999 jobs and safeguarding 1,156 jobs at an average cost per job of £2,792.

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

122. The East of England Industrial Development Board met twice during 2004/05. The 2 applications which came forward were both supported. 1 was supported immediately; the other was supported following the provision of further information. Due to the urgency of the case involved it was agreed with the Government Office attendee that the additional information sought should be circulated by email to Board members and if they were supportive the collated information be fed back to the chair with the resulting decision ratified at the next meeting.

123. There has been an increase of 15% in enquiries and applications coming forward but due to the size of the applications these have fallen below the level of the board's delegated responsibility. 14 applications were received and funded, which by value were negotiated to below the board level. These were worth £605,000 in grant and a capex value of £37,867,370. A further 6 were withdrawn by the applicants or rejected. 1 high value case was submitted to the IDU at DTI in London for review.

124. More applications at all levels, especially the higher value cases, were being filtered out of the system due to the stricter GVA criteria and therefore did not reach the stage where they were submitted to the board for decisions. It was generally felt that the new criteria would however increase the quality of applications submitted to the Board. It is of concern that the numbers of applications were lower than last year and steps will be identified in an attempt to rectify this situation.

125. The previous chair of the Board retired at the end of March 2003. The Board expressed its sincere thanks to Elaine Oddie for her excellent Chairmanship during her term of office. 3 new Board members were appointed during the year, Geoff Lambert, Sian Fytche and Marilyn Martin. The East of England Development Agency held an induction day for these new members. The objective of the event was to familiarise the new members with the DTI product and the processes concerned. The event was in the form of a Power Point presentation and case study, which the new members found both useful and informative.

HUGH LAWSON
Chairman

London

Government Assistance

126. During 2004/05 34 applications for SFIE were received and 14 offers accepted to the value of £1,705,500. These projects were associated with £33.6 million capital investment, and were forecast to create 271 jobs and safeguard 388 jobs, at an average cost of £2,588.

127. These figures compared to 11 applications for RSA in 2003/2004, with 7 offers accepted to the value of £2.625million, towards capital investment of £24.477 million and the creation of 496 jobs and the safeguarding of 415 jobs at an average cost per jobs of £2,938.

South East

Government Assistance

128. During 2004/05 16 applications for grant assistance were received. For SFIE, 11 offers were accepted to the total value of £2,431,200. These projects were associated with £18,883,000 of eligible capital investment. For former RSA, 1 offer was accepted to the total value of £960,000, with £1,924,000 of eligible capital investment (with an additional non-eligible investment of £14,906,000). For former EG, 5 offers were accepted to the total of £192,641, with £1,764,851 of eligible capital investment.

129. On successful completion of the projects, we forecast creation of 736 new and safeguarding 130 existing jobs, at an average cost per job of £4,138.

130. These figures compared to 7 RSA applications in 2003/04, with 3 offers accepted to the value of £493,000, towards capital investment of £3.2m and the creation of 33 new jobs and the safeguarding of 59, at an average cost per job of £5,329. (However the 1 RSA award accepted during 2004/2005 was offered last year and formal acceptance received this year.)

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

131. During the year the Board held 5 meetings to consider 2 cases (including 1 re-appraisal) from London and 5 cases from the South East, for SFIE/RSA. Assistance of £9,402,000 was approved, promising to lever capital investment of £48,801,600 and safeguard/create 1,216 jobs at an average cost of £7,732.

132. The Board recognises the importance of the role played by SFIE in assisting businesses to create jobs and economic activity within the designated areas. The Board was particularly pleased to see that there has been increasing economic activity in those areas which have received support in the past. Regeneration is rarely achieved quickly, instead being a slow and consistent building of skills, jobs and activity that allows the return of aspiration, pride and that all important spirit of entrepreneurship .

133. Many of the areas which have received support are highly dependent upon small and medium size enterprises and help through SFIE, given appropriately to such businesses, can enable them to flourish and form a bedrock of commercial activity and encouragement to others. In other areas, the use of SFIE has sought to retain and bolster the operations of a flagship employer, increasing employment opportunities and demonstrating that international companies do not always need to export jobs abroad to remain highly competitive and efficient.

134. The Board would like to thank the officers from the LDA and SEEDA for all their hard work during the year in appraising cases and to commend them for the consistently high standard of presentation to the Board.

135. As Chairman, I would like to add my own thanks to my colleagues on the Board, who, although living extremely busy business lives give up their time freely to attend Board Meetings and contribute a wealth of business experience to our assessment of the cases.

136. I should also like to thank Graham Wyles for his valuable input to the Board before his retirement this year and welcome Shahzad Khan to the Board.

JOHN McCREADY
Chairman

North East

137. During the year 138 applications for SFIE were received with 80 SFIE / RSA offers accepted to the total value of £14.4 million. These projects were associated with £114.3 million capital investment and were forecast to create 2,478 new jobs and safeguard 1,537 jobs at an average cost per job of £3,586.

138. These figures compared to 108 applications for RSA in 2003/2004, with offers accepted to the value of £19.2 million, towards capital investment of £129.4 million and the creation of 1,868 jobs and the safeguarding of 2,644 jobs, at an average cost per job of £4,255.

139. On 1st April 2004 the Agency assumed responsibility for administering the SME Enterprise Grant scheme, and during the year 2004/05, 40 Enterprise Grant offers were accepted to the total value of £1.3 million. These projects were associated with £8.2 million capital investment and were forecast to create 150 new jobs and safeguard 175 jobs.

140. As anticipated with the ending of the RSA and EG schemes, and the introduction of the new SFI product, this had been a very busy year with the number of offers up 50% on last year. This could be attributed to greater awareness and promotion of the scheme and signs of increased business confidence.

141. The new SFI scheme served a market need, with increasing benefit to small and medium sized companies in a wide range of sectors and it continued to play an important and effective part in the economic development of the North East in line with One NorthEast's Regional Economic Strategy objectives.

142. The balance between the safeguarding and the creation of jobs remained roughly as in previous years and in the current climate we saw no change to this scenario as companies strived to maintain competitiveness and implement productivity improvements. By exercising the quality aspects of the scheme to provide appropriate levels of support, we were able to pursue our key goal; of securing high quality investment projects, and support projects that offer good prospects of sustainable jobs important to the local area.

143. The strong links with IDU/IDAB on the appraisal and monitoring of IDU cases continued to play a key role in the work of One NorthEast. During the year we had a significant input into the successful appraisal by IDU of cases from both Nissan and Huntsman Chemicals.

Report by the Chairman of the North East Industrial Development Board

144. There was a noticeable reduction in the number of cases handled by the North East Industrial Development Board during the past year, with the Board holding 4 meetings and considered a total of 6 SFI cases, compared with 21 cases in 9 meetings in the previous year. These cases involved grant support of £7.1 million, and if all of these offers were accepted they would be associated with capital investment of £45.1m, and involve the creation of 1,047 new jobs and the safeguarding of 689 jobs, at an average cost per job of £4,130. All of these projects were based on an international mobility argument.

145. The Board believed that SFI had played an important role in the economic development of the region in attracting additional capital investment. The majority of cases considered by the Board were from foreign owned companies operating in a global market, three from the automotive sector and two from the financial services market.

146. I would like to thank Subhash Chaudhary for his input to the Board before his retirement this year, and also welcome the return of Bill Graham to the Board, after a period of work outside of the region.

LORNA MORAN
Chairman

North West

Government Assistance

147. During the year, 131 applications for SFIE and 15 applications for RSA were received and 82 offers accepted to the total value of £20 million. These projects were associated with £216.2 million capital investment, and were forecast to create 1,695 jobs and safeguard 2,673 jobs, at an average cost per job of £4,578. These figures compared to the RSA scheme (which closed on 31 March 2004) which received 77 applications in 2003/2004, with 74 offers accepted to the value of £22 million, towards capital investment of £167.58 million and the creation of 4,500 jobs and the safeguarding of 2,504, at an average cost per job of £3,332.

Report by the Chairman of the North West Industrial Development Board

148. The SFIE scheme was introduced at the beginning of the financial year and the Board saw a reduction in the larger application numbers in the early months but these have since returned to previous levels. The productivity and skills requirements initially, were not fully appreciated by applicants and their advisors. Therefore, in order to increase knowledge and to improve the quality of advice provided by third parties to their clients NWDA officials held a number of awareness events, which helped to raise the understanding of the scheme.

149. The overall number of cases handled by the NWIDB was slightly lower than in the previous year (16 cases in 2003/2004) with the Board meeting on 10 occasions when it considered 13 cases. Ten of the offers were to applicants based in regionally strategic clusters as designated by the NWDA's Regional Economic Strategy with applications from businesses in the aerospace, renewable energy, general engineering, paper, food and financial services sectors. Some 8 projects were from internationally mobile operations.

150. One of the 13 offers was declined but if the remaining 12 were to be accepted, a total grant of £16 million will be awarded towards capital investment of £121 million. This involved the expected creation of 1,299 jobs and the safeguarding 1,536 jobs at an average cost per job of £5,644. 62% of the projects had an element of job creation and safeguarding whilst the remaining projects focused on job creation or safeguarding.

151. Members considered that the quality aspects of grant support had been improved by the introduction of the productivity and skills requirements. In particular it is felt by the Board that the skills test has already helped to influence business behaviour in relation to training with a potential improvement in skills levels for those businesses undertaking SFIE projects.

152. The last year had seen the further integration of RSA/SFIE support into the wider NWDA business support activities with a number of cases coming before the NWIDB, which had demonstrated a closer working relationship between Inward Investment, regeneration and skills areas of the NWDA and relevant sector partners. The board saw this as a positive step and looked forward to, where appropriate, SFIE being part of a continuing integrated business support approach in the future.

153. The NWIDB had contributed to the DTI's quarterly review process and provided input into the RDA's post 2006 Regional Aid Guideline consultations with DTI. Feedback had also been made to the recent DTI paper "Creating Wealth from Knowledge".

154. During the year, the Board welcomed new members; David Tunnicliff, Richard Galloway and Robin Cridland. We would also like to record our thanks to the retiring Chair, Lorraine Clinton and retiring members John Alcock and Kirit Pathak.

MARCUS WOOD
Chairman

South West

155. The South West Industrial Development Board met on 6 occasions in the year. The Board considered and supported 2 RSA and 4 SFIE applications related to projects in the South West, approving a total of £3.001 million of grant associated with total project costs of £11.6 million and 645 jobs, at an average cost per job of £4,652. These figures compared to 10 applications in 2003/2004, with 10 offers accepted to the value of £6.53 million, towards capital investment of £31.3 million and the creation and safeguarding of 1,276 jobs, at an average cost per job of £5,117.

Report by the Chairman of the South West Industrial Development Board

156. The distribution of assistance showed that across the region, 3 of these applications were from companies in the Tier 1 assisted area and the other 3 were from Tier 2. In terms of the types of businesses seeking support, applicants were engaged in the production of a diverse range of goods and services such as products for the water industry, cask conditioned ale, remanufactured games consoles, advanced carbon materials, television and corporate communication programmes, multimedia services, and new generation Flat Panel Display (FPD) televisions.

157. The Board considered that all projects were worth supporting on the basis of the continuing benefits they would bring to the regional economy, and in certain cases, providing support would help send a positive signal to other overseas owned businesses in the area who may have been reviewing their operations to reduce costs.

158. During the year, the Board welcomed new members; Jim Barnard, Anne Blunn, Ken Burrows and Robin Sutton. We would also like to record our sincerest thanks to retiring members Neville Gibson, Nigel Randall, Brian Sherwin and Barbara Speirs.

TERENCE SLATER
Chairman

West Midlands

Government Assistance

159. During the year, 80 applications for SFIE were received. 10 offers of RSA were accepted, 30 of SFIE and 16 of EG, to values of £3.0million, £4.5 million and £0.7 million respectively. The projects in respect of which offers were accepted were associated with £55.1 million of capital investment (£25.1 million RSA, £24.8 million SFIE and £5.2 million EG), and were forecast to create 423 jobs and safeguard 897 jobs, at an average cost per job of £6,199. These figures compared to 118 applications in 2003/2004 (36 RSA and 82 EG), with 76 offers accepted (25 RSA and 51 EG) to the value of £13.5 million (£12.0 million RSA and £1.5 million EG), towards capital investment of £106.7 million (£93.9 million RSA and £12.8 million EG) and the creation of 1,139 jobs and the safeguarding of 1,744 jobs, at an average cost per job of £4,702. The average size of application and grant had reduced compared to prior years, with many offers being below £100,000. As a result the cost per job had increased, as there was no job requirement for grant below this level.

Report by the Chairman of the West Midlands Industrial Development Board

160. During the year, 6 meetings of the West Midlands Industrial Development Board were held and 6 cases considered. These resulted in 6 offers being made to the total value of £6.5 million on projects associated with capital expenditure of £38.5 million, which were forecast to create 141 jobs and safeguard 859 jobs at an average cost per job of £6,450. The projects supported have ranged from investment in established businesses to protect their competitive position to new companies seeking to deploy leading edge technologies. All projects anticipate significant productivity improvements, reflecting the additional productivity and skills criteria introduced with SFIE.

161. Dr Christine Braddock and Professor Paul Stoneman were appointed as Board Members with effect from 1 January 2004. I am grateful to all Board members for the valuable contribution they made to the Board's deliberations.

David Grove
Chairman

Yorkshire and the Humber

Government Assistance

162. During the year 2004/2005, 123 applications for SFIE were received, of which 24 requested a grant of £250,000 or over. A total of 67 grant offers with a grant value of £6.3 million were accepted during the period. These projects were associated with £57 million capital investment and were forecast to create 308 jobs and safeguard 515 jobs at an average cost per job of £4,479 (jobs are only included for offers of above £100k). This Programme opened to applications on 1 April 2004.

160. The distribution of assistance across the region showed that 29 offers were accepted in South Yorkshire, 13 in East Yorkshire, 6 in North East Lincolnshire, 4 in North Lincolnshire and 15 in West Yorkshire. The prominence of South Yorkshire in requests for grant reflected the continued acute need for assistance in the area

164. A total of 23 project payments totaling £1.1 million were made. Of these 12 were final payments.

165. The RSA Scheme closed to applications on 31 March 2004. During the year 2004/2005, a total of 23 (2003/2004 – 59) RSA grant offers were accepted with a grant value of £11.1 million. These projects were associated with £118.4 million capital investment (2003/2004 - £80.2 million) and were forecast to create 1,023 jobs (2003/2004 – 1,216) and safeguard 1,341 jobs (2003/2004 – 1,000) at an average cost per job of £4,690 (2003/2004 - £4,463).

166. The distribution of assistance across the region showed that 16 (2003/2004 – 20) offers were accepted in South Yorkshire, 4 (2003/2004 – 2) in East Yorkshire, 0 (2003/2004 – 3) in North East Lincolnshire, 0 (2003/2004 – 0) in North Yorkshire, 0 (2003/2004 – 2) in North Lincolnshire and 3 (2003/2004 – 3) in West Yorkshire.

167. A total of 62 project payments totaling £12.2 million were made. Of these 18 were final payments, these created or safeguarded 486 jobs.

168. The Enterprise Grant Scheme was transferred to the Regional Development Agencies on 1 April 2004 after it closed to applications on 31 March 2004.

169. During the year 2004/2005 58 offers were accepted with a grant value of £2.5 million and associated capital investment of £18.9 million.

170. A total of 98 (2003/2004 – 98) payments totaling £2.8 million (2003/2004 - £2.3 million) were made.

Inward Investment

171. The declining investment climate resulted in a relatively quiet period compared to previous years in terms of inward investment. Whilst the level of enquiries had increased gradually from last year there was little change in the proportion of companies progressing to actual investments. SFIE and RSA awards contributed to the success of a number of valuable projects however, including New Pac Ltd, enabling all the region's targets to be met regarding job creation.

172. Against a background of falling investment the region attracted 5 new inward investments, creating and safeguarding almost 579 jobs. Existing overseas investors contributed a further 618 jobs to this figure through new expansions or safeguarding existing developments.

173. Despite further improved working relations with all Yorkshire Forward's local partners to attract new investment to the region, the lack of large quality projects looking to locate in Europe and the investment climate in general hindered the year from being an outstanding success.

East Midlands

Government Assistance – Assistance under Section 7

174. During 2004/2005, a total of 41 applications for RSA / SFIE in the East Midlands' Assisted Area were received by emda and 31 offers made to a value of £8.07 million (2003/2004 - 23 applications received, 20 offers made to a value of £5.66 million). These projects were associated with £81 million of capital investment, and were forecast to create 1,105.5 jobs and safeguard 665.5 jobs, at an average cost per job of £4,557 (2003/2004 - £54 million capital investment, 584 jobs created and 931 jobs safeguarded, and an average cost per job of £3,736).

175. A number of RSA applications were received before 31 March 2004 but not fully appraised or offers made until after 1 April 2004.

176. Included in the 2004/2005 figures were grants to a value of £5.7 million agreed by the Yorkshire and the Humber and the East Midlands Industrial Development Board. Two of these four grant offers were offered to internationally mobile projects (2003/2004 - £2.9 million agreed and five grant offers, including two internationally mobile projects).

177. Following the introduction of the SFIE scheme on 1 April 2004, emda continued to place a greater emphasis on the strategic and quality aspects of applications, rigidly applying both the productivity and skills tests.

178. During 2004/2005, a total of 27 RSA / SFIE claims were processed by emda. Final spend on these claims was £3.435 million. emda exceeded its own jobs forecast of creating and safeguarding 750 jobs, by achieving 1,114 jobs (2003/2004 – 25 RSA claims, £3.08 million spend, 896.5 jobs created and safeguarded). As at 31 March 2005, RSA / SFIE commitments stood at almost £10 million and 58 projects.

Government Assistance – Assistance under Section 8

179. After undertaking a regional consultation exercise and a full appraisal, emda decided to extend the SFIE scheme beyond the Assisted Area into the East Midlands' Core Objective 2 areas for SME businesses only, with the support of the European Regional Development Fund (ERDF). This is effectively the Tier 3 SFIE scheme operated by the other eight English regions. The SFIE Extension scheme in the East Midlands was officially launched on 26 November 2004. As of 31 March 2005, 6 applications were received and 3 offers made to a value of £240,000. These projects were associated with £1.7 million of capital investment, and were forecast to create 13 jobs and safeguard 61 jobs, at an average cost per job of £3,243. Over the next two years to 31 December 2006, the SFIE Extension scheme was forecast to support a further 72 SME businesses, creating and safeguarding at least a further 46 jobs.

180. emda took over responsibility for paying the remaining claims under the Regional Enterprise Grant Scheme (REGS) on 1 April 2004. During 2004/2005, a total of 52 REGS claims from 42 projects were processed to a value of £1,447,123, creating 129.5 jobs. As at 31 March 2005, remaining commitments under REGS stood at £609,380 covering 28 projects.

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

181. The Board was of the opinion that RSA and SFIE had played a significant role in securing additional capital investment in the region, despite the continuing difficult business climate for the region's key manufacturing markets, and in creating and safeguarding jobs in the region this year. During the year the Board met on 11 occasions and considered a total of 10 RSA and 13 SFIE applications. A total of 23 offers were approved in support of projects expected to result in £190.5 million capital expenditure and the creation/safeguarding of 3,512 jobs. The average cost per job was £6,156 on cases considered by the Board.

182. This year, the Board saw a number of members both leave and arrive. Neil Adnitt retired with Corrine Holmes and Sarah Thrippleton resigning. We thank the ex-Chairman and these ex-members for their contributions to the Board. Following on from this I was appointed Chairman in January 2005 and 3 new members were appointed in January 2005. These were William Newcomb, Christopher Fitzpatrick and Martin Pick. We welcomed these appointments.

ZULFI HUSSAIN
Chairman

APPENDIX 1

Statistics relating to the Regional Selective Assistance Scheme

TABLE 1 RSA SCHEME - PROJECT GRANTS BY ASSISTED AREAS
 APPLICATIONS RECEIVED IN SCOTLAND AND WALES⁽¹⁾ FROM 1 APRIL 2004
 TO 31 MARCH 2005
 CUMULATIVE APPLICATIONS RECEIVED 1 APRIL 1995 TO 31 MARCH 2005

Country:	<i>Applications Received 01.04.04 to 31.03.05</i>		<i>Cumulative Applications Received 01.04.95 to 31.03.05</i>	
	No.	Value (£000)	No.	Value (£000)
Scotland ⁽²⁾				
Development Area	-	-	1,390	1,011,592
Intermediate Area	-	-		
Tier 1 ⁽³⁾	-	-		-
Tier 2 ⁽³⁾	220	124,098	1,138	513,670
Total	220	124,098	1,138	513,670
Wales				
Development Area	-	-	279	194,395
Intermediate Area	-	-	619	325,449
Tier 1 ⁽³⁾	117	57,365	840	526,252
Tier 2 ⁽³⁾	36	37,081	227	185,709
Total	153	94,446	1,965	1,231,805
Total: ⁽⁴⁾				
Development Area	-	-	1,669	1,205,987
Intermediate Area	-	-	619	325,449
Tier 1 ⁽¹⁾	117	57,365	840	526,252
Tier 2 ⁽¹⁾	256	161,179	1,365	699,379
Total	373	218,544	4,493	2,757,067

⁽¹⁾ RSA Scheme closed to new applications in England from 31 March 2004.

⁽²⁾ Scottish figures incorporate data for the Invest for Growth Scheme.

Cumulative Scottish figures no longer available split by DAs and IAs due to changes in data storage.

⁽³⁾ Tier 1 and 2 Areas effective from January 2000.

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

TABLE 2 RSA SCHEME - PROJECT GRANTS BY ASSISTED AREA
OFFERS ACCEPTED AND PAYMENTS FROM 1 APRIL 2004 TO 31 MARCH 2005
CUMULATIVE OFFERS ACCEPTED AND PAYMENTS 1 APRIL 1995⁽¹⁾ TO 31 MARCH 2005

Country/Region	Offers Accepted 1.4.04 to 31.3.05						Cumulative Offers Accepted 1.4.95 to 31.3.05					
	No.	Value (£'000)	Associated Project Costs (£'000)	Forecast Employment ⁽²⁾		Payments 1.4.04 to 31.3.05 (£'000)	No.	Value (£'000)	Associated Project Costs (£'000)	Forecast Employment ⁽²⁾		Payments 1.4.95 to 31.3.05 ⁽³⁾ (£'000)
				New	Safeguarded					New	Safeguarded	
Great Britain:												
Development Area ⁽⁴⁾	-	-	-	-	-	13,710	3,968	1,146,899	10,809,364	125,423	53,559	812,935
Intermediate Area ⁽⁴⁾	-	-	-	-	-	10,428	3,103	491,794	6,976,003	87,828	43,770	356,264
Tier 1 ⁽⁵⁾	124	64,874	363,465	4,576	3,705	68,873	919	479,701	2,078,128	37,238	20,483	295,585
Tier 2	270	129,950	927,074	12,778	9,572	114,390	1,913	989,796	7,769,427	93,793	63,169	663,760
Total	394	194,824	1,290,539	17,354	13,277	207,401	9,903	3,108,190	27,632,922	344,282	180,981	2,128,544
Scotland: ^(6,7)												
Development Area	-	-	-	-	-	-	1,045	552,073	5,220,529	51,429	18,610	318,896
Intermediate Area	-	-	-	-	-	-	-	-	-	-	-	-
Tier 1	-	-	-	-	-	-	-	-	-	-	-	-
Tier 2	163	69,839	241,522	7,092	2,975	45,482	915	374,963	1,714,146	35,359	20,817	254,116
Total	163	69,839	241,522	7,092	2,975	45,482	1,960	927,036	6,934,675	86,788	39,427	573,012
Wales:												
Development Area	-	-	-	-	-	-	251	124,831	556,725	10,538	5,274	155,684
Intermediate Area	-	-	-	-	-	-	507	239,857	3,641,665	34,229	10,732	146,411
Tier 1	92	40,911	127,408	2,586	2,056	50,189	679	374,767	1,229,632	24,595	11,931	201,339
Tier 2	24	8,699	27,562	1,443	695	25,135	182	107,774	1,057,406	10,435	3,137	74,920
Total	116	49,610	154,970	4,029	2,751	75,324	1,619	847,229	6,485,428	79,797	31,074	578,354
England: ⁽⁸⁾												
Development Area	-	-	-	-	-	13,710	2,672	469,995	5,032,110	63,456	29,675	338,355
Intermediate Area	-	-	-	-	-	10,428	2,596	251,937	3,334,338	53,599	33,038	209,853
Tier 1	32	23,963	236,057	1,990	1,649	18,684	240	104,934	848,496	12,643	8,552	94,246
Tier 2	83	51,412	657,990	4,243	5,902	43,773	816	507,059	4,997,875	47,999	39,215	334,724
Total	115	76,375	894,047	6,233	7,551	86,595	6,324	1,333,925	14,212,819	177,697	110,480	977,178

- (1) Information prior to 1995-96 can be obtained from earlier Annual Reports of the Industrial Development Act.
(2) Forecast employment figures are based on company forecasts for the project at the time of the offer.
(3) Payments made in period shown; includes payments on prior projects for which offer was accepted in an earlier year.
(4) Until 31 December 1999, Assisted Areas were known as Development Areas (DA) and Intermediate Areas (IA)
(5) Tier 1 and 2 Areas effective from 1 January 2000.
(6) Scottish figures incorporate data for the Invest For Growth Scheme.
(7) Scottish figures no longer available split by DAs and IAs due to changes in data collection.
(8) English data refers to offers accepted on applications received before the scheme closure in England on 31 March 2004.

TABLE 3 RSA SCHEME - PROJECT GRANTS - EMPLOYMENT
CUMULATIVE OFFERS ACCEPTED FROM 1 APRIL 1995 TO 31 MARCH 2003
PAYMENTS AND EMPLOYMENT CREATED OR SAFEGUARDED
FROM 1 APRIL 1995 TO 31 MARCH 2005

Country:	Offers Accepted 1.4.05 to 31.3.03			Cumulative Offers Accepted 1.4.95 to 31.3.03 where some payment made up to 31.3.05			Total Payments to 31.3.05 (£'000)	Employment created and safeguarded to 31.3.05
	No.	Value (£'000)	Forecast (1) Employment	No.	Value (£'000)	Forecast (1) Employment		
Great Britain:	8,915	2,611,220	448,760	7,402	2,132,284	365,045	1,611,696	333,153
Scotland:	1,640	810,965	109,005	1,207	616,398	80,981	421,464	65,228
Wales:	1,356	698,337	94,717	1,162	600,243	80,434	411,216	65,836
England:	5,919	1,101,918	245,038	5,033	915,643	203,630	779,016	202,089

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

TABLE 4 RSA SCHEME - PROJECT GRANTS IN GREAT BRITAIN⁽¹⁾ BY TYPE OF INDUSTRY
CUMULATIVE OFFERS ACCEPTED AND PAYMENTS FROM 1 APRIL 1995⁽²⁾
TO 31 MARCH 2005

Standard Industrial Classification (SIC) 1992		Cumulative Offers Accepted 1.4.95 to 31.3.05					Payments 1.4.95 to 31.3.05 ⁽⁴⁾ (£'000)
Class/Description		No.	Value (£'000)	Associated Project Costs (£'000)	Forecast ⁽³⁾ Employment		
					New	Safeguarded	
01-05	Agriculture, hunting, forestry and fishing	40	5,918	57,182	768	602	4,644
10-14	Mining & Quarrying	18	2,868	23,730	182	261	2,207
15-37	Manufacturing:						
15-16	Food, beverages & tobacco	710	184,197	1,291,665	23,953	15,955	152,339
17-19	Textiles, clothing, leather & footwear	495	58,686	411,979	10,097	6,297	52,911
20-22	Wood, paper, printing & publishing	845	133,221	1,378,283	14,655	9,798	98,309
23-25	Coke, petroleum, nuclear fuels, chemicals, m.m.fibres, rubber & plastic	1,075	435,831	3,920,224	32,230	25,790	259,442
26	Non-metallic mineral products	267	68,176	1,243,486	6,951	6,634	49,067
27-28	Metals & fabricated metal products	1,761	206,676	1,595,945	25,992	17,340	159,734
29	Machinery & equipment nes	834	184,743	1,251,940	18,990	14,183	123,997
30-33	Electrical & optical equipment	970	786,687	9,091,474	72,913	27,698	487,587
34-35	Transport equipment	444	482,493	4,053,227	26,528	36,159	378,635
36-37	Other manufacturing	553	74,730	458,986	10,150	4,388	48,139
40-41	Electricity, gas & water supply	8	5,051	22,352	171	858	3,228
45	Construction	216	25,020	185,230	4,020	954	17,378
50-52	Wholesale & retail trade, repairs	400	61,077	415,790	11,647	3,619	37,905
55	Hotels & restaurants	21	2,170	11,399	726	277	2,264
60-64	Transport, storage & communication	164	71,068	417,887	19,857	1,470	40,521
65-67	Financial intermediation	68	75,664	505,861	20,903	1,190	60,423
70-74	Real estate, renting & business activities	810	202,661	1,053,966	37,928	6,197	120,360
75-99	Other Services	204	41,253	242,316	5,621	1,311	29,454
Total		9,903	3,108,190	27,632,922	344,282	180,981	2,128,544

(1) English data relates to offers accepted of applications received before the scheme closure in England on 31 March 2004.

(2) Information on closed schemes and on Project Grants prior to 1995-96 can be obtained from earlier Annual Reports of the Industrial Development Act.

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

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

TABLE 5 RSA SCHEME - PROJECT GRANTS BY COUNTRY
APPLICATIONS, OFFERS ACCEPTED AND PAYMENTS MADE 2001-02 TO 2004-05

Country:	Applications			Offers Accepted ⁽¹⁾			Forecast ⁽²⁾		
	Financial year of application, acceptance or payment	No.	Value (£'000)	No.	Value (£'000)	Associated Project Costs (£'000)	Employment		Payments ⁽³⁾ (£'000)
							New	Safeguarded	
Great Britain:	2001-02	741	470,083	569	249,455	1,456,941	23,867	14,919	194,365
	2002-03	723	479,986	588	293,934	1,665,007	24,255	15,224	197,266
	2003-04	751	417,043	559	294,942	1,912,351	23,419	19,703	148,583
	2004-05	373	218,544	394	195,824	1,290,539	17,354	13,277	207,401
Scotland:	2001-02	235	145,756	160	61,098	340,841	6,316	4,028	44,205
	2002-03	253	81,831	183	60,006	278,182	4,876	2,727	36,382
	2003-04	209	70,876	157	46,611	209,968	4,017	3,154	41,993
	2004-05	220	124,098	163	69,839	241,522	7,092	2,975	45,482
Wales:	2001-02	290	154,955	235	109,417	429,977	7,715	4,013	52,160
	2002-03	243	170,934	213	126,196	452,530	8,933	3,087	69,949
	2003-04	180	131,484	144	98,166	513,099	6,435	2,302	42,029
	2004-05	153	94,446	116	49,610	154,970	4,029	2,751	75,324
England: ⁽⁴⁾	2001-02	216	169,372	174	78,940	686,123	9,836	6,878	98,000
	2002-03	227	227,221	192	107,732	934,295	10,446	9,410	90,935
	2003-04	362	214,683	258	150,165	1,189,284	12,967	14,247	64,561
	2004-05	-	-	115	76,375	894,047	6,233	7,551	86,595

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

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

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

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

TABLE 6 RSA SCHEME - PROJECT GRANTS BY UK AND FOREIGN OWNED COMPANIES
OFFERS ACCEPTED AND PAYMENTS FROM 1 APRIL 2004 TO 31 MARCH 2005
CUMULATIVE OFFERS ACCEPTED AND PAYMENTS FROM 1 APRIL 1995 TO 31 MARCH 2005

Country/Region	Offers Accepted 1.4.04 to 31.3.05						Cumulative Offers Accepted 1.4.95 to 31.3.05					
	No.	Value (£'000)	Associated Project Costs (£'000)	Forecast Employment ⁽¹⁾ New Safeguarded	Forecast Employment ⁽¹⁾	Payments 1.4.04 to 31.3.05 (£'000)	No.	Value (£'000)	Associated Project Costs (£'000)	Forecast Employment ⁽¹⁾ New Safeguarded	Forecast Employment ⁽¹⁾	1.4.95 to 31.3.05 ⁽²⁾ (£'000)
Great Britain:												
UK Owned	321	104,879	601,733	10,277	8,877	118,842	8,617	1,497,787	10,206,516	206,092	96,373	1,059,643
Foreign Owned	73	90,945	688,806	7,077	4,400	88,559	1,286	1,610,403	17,426,406	138,190	84,608	1,068,901
Total	394	195,824	1,290,539	17,354	13,277	207,401	9,903	3,108,190	27,632,922	344,282	180,981	2,128,544
Scotland:												
UK Owned	134	40,759	170,557	3,624	2,350	30,289	1,548	381,902	2,021,658	38,279	21,906	259,955
Foreign Owned	29	29,080	70,965	3,468	625	15,193	412	545,134	4,913,017	48,509	17,521	313,057
Total	163	69,839	241,522	7,092	2,975	45,482	1,960	927,036	6,934,675	86,788	39,427	573,012
Wales:												
UK Owned	94	30,190	88,836	2,925	1,932	39,331	1,320	346,669	1,601,349	42,185	12,946	275,881
Foreign Owned	22	19,420	66,134	1,104	819	35,993	299	500,560	4,884,079	37,612	18,128	302,473
Total	116	49,610	154,970	4,029	2,751	75,324	1,619	847,229	6,485,428	79,797	31,074	578,354
England: ⁽³⁾												
UK Owned	93	33,930	342,340	3,728	4,595	49,222	5,749	769,216	6,583,509	125,628	61,521	523,807
Foreign Owned	22	42,445	551,707	2,505	2,956	37,373	575	564,709	7,629,310	52,069	48,959	453,371
Total	115	76,375	894,047	6,233	7,551	86,595	6,324	1,333,925	14,212,819	177,697	110,480	977,178

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

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

(3) English data relates to offers accepted of applications received before the scheme closure in England on 31 March 2004.

TABLE 7 RSA SCHEME - APPLICATIONS REJECTED AND WITHDRAWN FROM 1 APRIL 2004 TO 31 MARCH 2005
CUMULATIVE APPLICATIONS REJECTED AND WITHDRAWN FROM 1 APRIL 1995 TO 31 MARCH 2005

Country/Region	Applications Rejected and Withdrawn 1.4.04 to 31.3.05				Cumulative Applications Rejected and Withdrawn 1.4.95 to 31.3.05			
	Tier 1 ⁽¹⁾	Tier 2 ⁽¹⁾	Total	DA ⁽²⁾	IA ⁽²⁾	Tier 1 ⁽¹⁾	Tier 2 ⁽¹⁾	Total
Great Britain:	11	61	72	1,077	960	83	393	2,513
England:	1	16	17	810	960	23	97	1,890
Scotland:⁽³⁾	-	43	43	173	-	-	277	450
Wales:	10	2	12	94	-	60	19	173

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

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

(3) Scottish figures no longer available split by DAs and IAs due to changes in data collection.

APPENDIX 2

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

TABLE 1 APPLICATIONS RECEIVED - TIER 1 AND 2 AREAS - 1 APRIL 2004 TO 31 MARCH 2005

	<i>Tier 1 (1) Areas</i>		<i>Tier 2(1) Areas</i>		<i>Total Areas</i>	
	<i>No.</i>	<i>Value (£000)</i>	<i>No.</i>	<i>Value (£000)</i>	<i>No.</i>	<i>Value (£000)</i>
England:	123	0	0	0	0	0
East:	-	-	14	3,244	14	3,244
East Midlands:	-	-	35	5,176	35	5,176
London:	-	-	19	16,640	19	16,640
North East:	-	-	132	31,145	132	31,145
North West:	45	20,587	68	17,569	113	38,156
South East:	-	-	12	3,863	12	3,863
South West:	19	3,284	10	3,758	29	7,042
West Midlands:	-	-	67	12,607	67	12,607
Yorkshire and Humberside:	59	21,296	42	7,328	101	28,624

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

TABLE 2 SELECTIVE FINANCE FOR INVESTMENT IN ENGLAND - TIER 1 AND 2 AREAS
OFFERS ACCEPTED AND PAYMENTS FROM 1 APRIL 2004 TO 31 MARCH 2005

	No.	Value (£000)	Associated Project Costs (£000)	Forecast Employment (1)		Payments 1.4.04 to 31.3.05 (£000)
				New	Safeguarded	
ENGLAND:						
Tier 1 (2)	60	11,838	151,731	600	1,331	1,126
Tier 2 (2)	167	26,872	228,849	2,526	3,180	2,426
TOTAL	227	38,710	380,580	3,126	4,511	3,552
East:						
Tier 1	-	-	-	-	-	-
Tier 2	7	2,501	16,038	51	333	175
TOTAL	7	2,501	16,038	51	333	175
East Midlands:						
Tier 1	-	-	-	-	-	-
Tier 2	13	1,998	16,207	191	71	353
TOTAL	13	1,998	16,207	191	71	353
London:						
Tier 1	-	-	-	-	-	-
Tier 2	7	1,410	31,052	212	340	70
TOTAL	7	1,410	31,052	212	340	70
North East:						
Tier 1	-	-	-	-	-	-
Tier 2	52	7,013	54,425	1,156	897	1,075
TOTAL	52	7,013	54,425	1,156	897	1,075
North West:						
Tier 1	18	5,970	121,963	125	774	215
Tier 2	29	3,802	34,802	304	610	142
TOTAL	47	9,772	156,765	429	1,384	357
South East:						
Tier 1	-	-	-	-	-	-
Tier 2	8	2,295	17,618	191	130	-
TOTAL	8	2,295	17,618	191	130	0
South West:						
Tier 1	13	2,374	6,940	284	238	267
Tier 2	5	1,555	8,942	95	281	-
TOTAL	18	3,929	15,882	379	519	267
West Midlands:						
Tier 1	-	-	-	-	-	-
Tier 2	23	4,052	20,990	209	322	355
TOTAL	23	4,052	20,990	209	322	355
Yorkshire and Humberside:						
Tier 1	29	3,494	22,828	191	319	644
Tier 2	23	2,246	28,775	117	196	256
TOTAL	52	5,740	51,603	308	515	900

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

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

TABLE 3 SELECTIVE FINANCE FOR INVESTMENT IN ENGLAND BY TYPE OF INDUSTRY
TIER 1 AND 2 AREAS⁽¹⁾ - OFFERS ACCEPTED AND PAYMENTS FROM 1 APRIL 2004
TO 31 MARCH 2005

Standard Industrial Classification (SIC) 2003							
Class/Description	No.	Value (£'000)	Associated Project Costs (£'000)	Forecast (2) Employment		Payments 1.4.04 to 31.3.05 (£000)	
				New	Safeguarded		
01-05	Agriculture, hunting, forestry and fishing	-	-	-	-	-	
10-14	Mining & Quarrying	-	-	-	-	-	
15-37	Manufacturing:						
15-16	Food, beverages & tobacco	14	3,194	47,857	585	432	477
17-19	Textiles, clothing, leather & footwear	6	800	4,823	168	61	320
20-22	Wood, paper, printing & publishing	27	3,911	45,528	287	465	632
23-25	Coke, petroleum, nuclear fuels, chemicals, m.m.fibres, rubber & plastic	24	3,680	26,496	307	233	170
26	Non-metallic mineral products	5	501	3,240	26	158	50
27-28	Metals & fabricated metal products	43	5,540	40,866	527	1,050	497
29	Machinery & equipment nes	13	862	4,906	80	43	83
30-33	Electrical & optical equipment	10	2,190	11,628	111	338	160
34-35	Transport equipment	9	6,099	122,144	80	765	40
36-37	Other manufacturing & recycling	18	1,701	10,066	169	202	444
40-41	Electricity, gas & water supply	-	-	-	-	-	-
45	Construction	6	536	4,114	62	42	15
50-52	Wholesale & retail trade, repairs	12	3,161	20,870	184	207	45
55	Hotels & restaurants	1	10	50	9	-	-
60-64	Transport, storage & communication	5	342	1,887	51	96	173
65-67	Financial intermediation	1	180	1,428	22	-	-
70-74	Real estate, renting & business activities	20	4,862	27,081	293	399	192
75-99	Other Services	13	1,141	7,296	165	20	254
Total		227	38,710	380,280	3,126	4,511	3,552

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

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

TABLE 4 SELECTIVE FINANCE FOR INVESTMENT IN ENGLAND BY UK AND FOREIGN OWNED COMPANIES
TIER 1 AND 2 AREAS 8 - OFFERS ACCEPTED AND PAYMENTS FROM 1 APRIL 2004 TO 31 MARCH 2005

Offers Accepted 1.4.04 to 31.3.05						
<i>Class/Description</i>	<i>No.</i>	<i>Value (£'000)</i>	<i>Associated Project Costs (£'000)</i>	<i>Forecast (2) Employment</i>		<i>Payments 1.4.04 to 31.3.05 (£'000)</i>
				<i>New</i>	<i>Safeguarded</i>	
ENGLAND:						
UK Owned	205	22,269	173,771	2,596	1,842	3,274
Foreign Owned	22	16,441	206,809	530	2,669	278
Total	227	38,710	380,580	3,126	4,511	3,552
East:						
UK Owned	5	474	3,926	41	78	175
Foreign Owned	2	2,027	12,112	10	255	-
Total	7	2,501	16,038	51	333	175
East Midlands:						
UK Owned	10	765	7,906	94	18	125
Foreign Owned	3	1,233	8,301	97	53	228
Total	13	1,998	16,207	191	71	353
London:						
UK Owned	6	555	5,152	158	109	70
Foreign Owned	1	855	25,900	54	231	-
Total	7	1,410	31,052	212	340	70
North East:						
UK Owned	49	5,209	41,657	1,015	327	1,075
Foreign Owned	3	1,804	12,768	141	570	-
Total	52	7,013	54,425	1,156	897	1,075
North West:						
UK Owned	44	4,283	38,490	366	566	357
Foreign Owned	3	5,489	118,275	63	818	-
Total	47	9,772	156,765	429	1,384	357
South East:						
UK Owned	4	526	4,745	58	-	-
Foreign Owned	4	1,769	12,873	133	130	-
Total	8	2,295	17,618	191	130	0
South West:						
UK Owned	17	3,229	11,721	379	248	267
Foreign Owned	1	700	4,161	-	271	-
Total	18	3,929	15,882	379	519	267
West Midlands:						
UK Owned	21	1,903	11,782	209	127	355
Foreign Owned	2	2,149	9,208	-	195	-
Total	23	4,052	20,990	209	322	355
Yorkshire and Humberside:						
UK Owned	49	5,325	48,392	276	369	850
Foreign Owned	3	415	3,211	32	146	50
Total	52	5,740	51,603	308	515	900

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

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

TABLE 5 SELECTIVE FINANCE FOR INVESTMENT IN ENGLAND
APPLICATIONS REJECTED AND WITHDRAWN
TIER 1 AND 2⁽¹⁾ AREAS FROM 1 APRIL 2004 TO 31 MARCH 2005

	<i>Tier 1</i>	<i>Tier 2</i>	<i>Total</i>
England:	15	64	79
East:	-	3	3
East Midlands:	-	10	10
London:	-	5	5
North East:	-	16	16
North West:	7	11	18
South East:	-	4	4
South West:	5	3	8
West Midlands:	-	7	7
Yorkshire and Humberside:	3	5	8

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

TABLE 6 SELECTIVE FINANCE FOR INVESTMENT IN ENGLAND - TIER 3
APPLICATIONS RECEIVED FROM 1 APRIL 2004 TO 31 MARCH 2005

	<i>Tier 3 Areas</i>	
	<i>No.</i>	<i>Value ('£000)</i>
England:	95	5,940
East:	8	303
East Midlands:	6	573
London:	9	540
North East:	6	856
North West:	18	751
South East:	6	341
South West:	6	351
West Midlands:	13	906
Yorkshire and Humberside:	23	1,319

TABLE 7 SELECTIVE FINANCE FOR INVESTMENT IN ENGLAND - TIER 3
OFFERS ACCEPTED AND PAYMENTS FROM 1 APRIL 2004 TO 31 MARCH 2005

	<i>No.</i>	<i>Value ('£'000)</i>	<i>Associated Project Costs ('£'000)</i>	<i>Forecast (1) Employment</i>		<i>Payments 1.4.04 to 31.3.05 ('£000)</i>
				<i>New</i>	<i>Safeguarded</i>	
ENGLAND:	53	2,528	20,947	319	114	409
East:	4	179	1,434	-	27	22
East Midlands:	2	145	1,017	13	2	30
London:	7	296	2,570	59	48	38
North East:	4	453	3,072	138	-	115
North West:	8	280	1,911	44	-	66
South East:	3	136	1,265	8	-	-
South West:	3	74	536	30	13	-
West Midlands:	7	401	3,761	27	24	28
Yorkshire and Humberside:	15	564	5,381	-	-	110

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

APPENDIX 3

Enterprise Grant Scheme⁽¹⁾

TABLE 1 OFFERS ACCEPTED AND PAYMENTS 1 APRIL 2004 TO 31 MARCH 2005
CUMULATIVE OFFERS ACCEPTED AND PAYMENTS 1 APRIL 2000 TO 31 MARCH 2005

<i>Region</i>	<i>Offers accepted and payments 1.4.2004 to 31.3.2005</i>				<i>Cumulative Offers accepted and payments 1.4.2000 to 31.3.2005</i>			
	<i>No.</i>	<i>Value £000</i>	<i>Associated Capital Costs £000</i>	<i>Payments £000</i>	<i>No.</i>	<i>Value £000</i>	<i>Associated Capital Costs £000</i>	<i>Payments £000</i>
East	4	62	436	214	51	1,858	18,576	978
Midlands	-	-	-	1,447	233	7,980	61,767	6,007
London-	-	-	354	48	1,606	16,372	1,304	
North East	23	642	5,145	1,944	439	13,173	100,454	10,596
North West	50	1,999	15,847	2,110	511	18,481	139,476	10,427
South East	5	193	1,765	569	157	4,714	35,000	2,627
South West	2	114	758	228	94	2,414	20,404	1,651
Midlands	-	-	-	-	255	7,933	65,316	5,205
Yorkshire & Humberside	58	2,458	18,936	2,833	407	13,970	114,208	9,764
Total	142	5,468	42,887	9,699	2,195	72,129	571,573	48,559

⁽¹⁾ The scheme closed to new applications on 31 March 2004.

APPENDIX 4

Statistics relating to the Assembly Investment Grant Scheme

TABLE 1 ASSEMBLY INVESTMENT GRANT⁽¹⁾ SCHEME
OFFERS ACCEPTED AND PAYMENTS 1 APRIL 2004 TO 31 MARCH 2005
CUMULATIVE OFFERS ACCEPTED AND PAYMENTS 1 APRIL 2002 TO 31 MARCH 2005

<i>Country/Region</i>	<i>No.</i>	<i>Value (£'000)</i>	<i>Offers Accepted 1.4.04 to 31.3.05</i>		<i>No.</i>	<i>Value (£'000)</i>	<i>Cumulative Offers Accepted 1.4.02 to 31.3.05</i>			
			<i>All Assisted Areas</i>				<i>All Assisted Areas</i>			
			<i>Associated Project Costs (£'000)</i>	<i>Payments 1.4.04 to 31.3.05 (£'000)</i>			<i>Associated Project Costs (£'000)</i>	<i>Payments 1.4.02 to 31.3.05 (£'000)</i>		
Great Britain:	303	9,099	30,743	8,289,364	1,135	35,138	106,878	24,819		
Scotland:										
Wales:	303	9,099	30,743	8,289,364	1,135	35,138	106,878	24,819		
England:										

(1) The Assembly Investment Grant Scheme was introduced on 1 April 2002 and is run solely by the National Assembly for Wales.

TABLE 2 ASSEMBLY INVESTMENT GRANT⁽¹⁾ SCHEME
APPLICATIONS REJECTED AND WITHDRAWN 1 APRIL 2004 TO 31 MARCH 2005
CUMULATIVE APPLICATIONS REJECTED AND WITHDRAWN 1 APRIL 2002
TO 31 MARCH 2005

<i>Country/Region</i>	<i>Applications Rejected and Withdrawn 1.4.04 to 31.3.05 All Assisted Areas</i>	<i>Cumulative Applications Rejected and Withdrawn 1.4.02 to 31.3.05 All Assisted Areas</i>
Great Britain	130	337
Scotland		
Wales	130	337
England		

(1) The Assembly Investment Grant Scheme was introduced on 1 April 2002 and is run solely by the National Assembly for Wales.

APPENDIX 5

Financial Assistance under section 13 of the Industrial Development Act 1982

IMPROVEMENT OF BASIC SERVICES IN THE ASSISTED AREAS

(The figures represent the position at 31 March 2005 for those applications approved during the year. Figures for previous assistance under section 13 are available in earlier Annual Reports.)

	<i>Applications</i>					<i>Applications Approved</i>			
	<i>Service</i>	<i>Brought Forward from 2003/2004</i>	<i>Received in 2004/2005</i>	<i>Rejected</i>	<i>Withdrawn</i>	<i>Under Consideration</i>	<i>Number</i>	<i>Estimated Cost (£'000)</i>	<i>Estimated Grant (£'000)</i>
DTLR ⁽¹⁾	Roads	4	3	0	0	1	6	842,203	252,691
DEFRA ⁽²⁾	Water and Sewerage	6	1	0	0	1	0	0	0
Scottish Executive Development Department	Roads	1	0	0	0	1	0	0	0
Environment Department	Water and Sewerage	0	0	0	0	0	0	0	0
National Assembly for Wales	Roads	0	0	0	0	0	0	0	0
	Water and Sewerage	3	0	0	3	0	0	0	0
Total		14	4	0	3	3	6	842,203	252,691

⁽¹⁾ Department of Transport, Local Government and the Regions

⁽²⁾ Department of the Environment, Food and Rural Affairs

APPENDIX 6

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

During the year some changes were made to the membership of some of the Boards. The names below represent the position at 31 March 2005.

Scottish Industrial Development Advisory Board

Chairman

Mr V Lall

Director, Heriot Services Ltd

Members

Professor B Ashcroft

Policy Director, Fraser of Allander Institute, University of Strathclyde

Professor R Beaty, OBE

Managing Director, Glencon Ltd

Mr A Bethel, OBE

Managing Director, Babcock Engineering Services

Mrs L Cadenhead

Chief Executive Officer, 1745 Trading Company Ltd

Mr A Khushi

Managing Director, Jacobs & Turner Ltd

Miss J MacKenzie

Investment Manager, Aberdeen Murray Johnstone

Dr B McGuckin

Head of IP Commercialisation, Napier University

Dr D McKay

Former Managing Director, FCI Systems & Assembly

Division – Europe

Mr J Quigley

Scottish Regional Secretary, AMICUS

Industrial Development Advisory Board

Chairman

Mr G Page CBE

Chairman, Cobham plc

Members

Mr M Beverley

Retired UK Regional Managing Partner, Arthur Andersen

Lord Paul

Chairman, Caparo Group Ltd

Mr R Swannell

Chairman, Citigroup European Investment Bank

Mr P Allen

Finance Director, Abacus Group plc

Ms B Blow

Technology Director, Serco Group plc

Mr I Robertson CBE

Chairman, Corporate Banking and Financial Markets, the Royal Bank of Scotland

Ms J Williams

Chairman, South West of England Regional Development Agency

Dr B Count

Chief Executive, RWE Trading GmbH

Ms K Jones

Chief Executive, the Spirit Group Ltd

Welsh Industrial Development Advisory Board

Chairman

Mrs V Barrett

Finance Director, Senior Flexonics Ltd.

Members

Mr G Long

Retired International Development Director, Allevard Springs Ltd

Dr J Driscoll

Management Consultant, Ex Partner,

PricewaterhouseCoopers, Cardiff

Mr R Fowler

Director, Robertson Research International Ltd

Mr A Wright OBE

Director of Operations, TRB Ltd

Mr D Fellows OBE

Chair of ELWa South West Wales Regional Committee,

Former Regional Organiser, Transport and

General Workers Union

Miss K Diamond

Finance Director, Continental Teves Ltd

Mr D Williams

Retired Area Director, HSBC Bank

East of England Industrial Development Board

Chairman

Mr H Lawson

Retired as Managing Director of Norwich Airport

Members

Mr A Davies

General Manager, SLP Engineering Ltd

Mr K Hamilton

Managing Director, Electrolux Vacuum Cleaner Product Division (retired)

Mr M Smith

Chairman of Bedford Development Agency.

Mr D Baggott

Managing Partner, Machins Solicitors.

Ms F Hoskins

Deputy Agent, Bank of England

Mr L Russen

Chartered surveyor and Partner, Russen and Turner

Mr T Hill

Divisional Director and General Manager, AMEC

Mr R Downing

Director, Maritech Consultants.

Mrs M Martin

Chair of PKF accountants and business advisors

Mr G Lambert
Consultant
Mrs S Fytche
Senior manager, Geest plc

London and South East Industrial Development Board

Chairman
Mr J McCready
Partner, Ernst & Young UK plc

Members
Mr T Cohen
Group Controller – Orange plc
Mr P Croucher
Retired Managing Director
Mr P Davda
Executive Advisor
Mr Bryan Davies
Managing Director and Chief Executive, Pirelli General plc
Mr G Gill
Retired Finance Director
Mr J Hicks
Chairman, Amplicon Liveline Ltd
Ms Wendy Hyde
Agent, Bank of England
Mr S Khan
Managing Director, Zanara Ltd
Miss M S Lai OBE
Partner, Pridie: Brewster
Mrs H Sasson
Business Consultant
Mr I J S Singh
Director, Neutronics Designs Ltd
Mr R Stiles
Chairman, Stiles, Harold, Williams

North East Industrial Development Board

Chairman
Mrs L Moran, MBE
Chief Executive, Northern Recruitment Group Ltd

Members
Miss L V W Armstrong
Consultant, The Alchemists
Mr P D Bartlett
Project Director, Wilton Improvements
Mr C Gill
Finance Director, Domnick Hunter Group plc
Mr B Graham
Finance Director (various manufacturing and service industries)
Mr H Hasnain
Director, Haani Cables Ltd
Ms C A Hunter
Managing Director, Jackel International Ltd
Mrs D P Marshall
Managing Director, Saint-Gobain Quartz Ltd
Ms A D Reece
Financial Director & Company Secretary, Bywell Holdings Ltd

Mr S J H Still
Chief Operating Officer, Brewin Dolphin Securities Ltd
Mr R G G Taylor
Owner & Chairman, Seaward Electronics Ltd
Ms L Winskell
Solicitor, Sintons

North West Industrial Development Board

Chairman
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Managing Director, Echevin Ltd

Members
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Business Development and Finance Director, Renovo Ltd
Mr R Galloway
Controller, Cargill plc
Mr D McLellan
Group Controller, Avecia
Mr R McManus
Senior Industrial Organiser, Transport and General Workers' Union
Professor B Mullarkey
Managing Director, dB Research Ltd
Dr R Port
Market Development Manager, Vertex Customer Management
Mr D Tunnicliff
Facilitator, Cumbria Engineering Network
Mr G Verghese
Director and Company Secretary, Morada International Ltd
Ms E M Wisemark
Chairman and Managing Director, Optima Management Services Ltd

South West Industrial Development Board

Chairman
Mr T Slater
Director and Chief Executive, Engineering Employer's Western Association

Members:
Dr S Astbury
Strategy Director of Operations, British Aerospace Systems Plc
Mr J Barnard
Independent Consultant
Miss R Bagley
Chief Executive, South Hams District Council
Mrs A Blunn
Finance Director, CN Unwin Ltd
Mr K Burrows
Chairman, Somerset Chamber of Commerce
Mr A Courts
Company Director, Rittal-CSM Ltd
Mr J Crownshaw
Chief Executive, Bond Pearce Solicitors
Mr I Douglas
Consultant, Blackdown Consulting
Mr A Hayman
Managing Director, J&S Marine Ltd

Mrs D Major
Area Manager, HSBC Truro Bank Plc
Mr R Morgan
Director of Operations, K2 Medical Systems Ltd
Mr R Nand-Lal
Retired, formerly Director of Administration, Resources and Marketing, Cranfield University
Miss V Pickering
Project Director, BP Swindon Plc
Mr R Sutton
Non-executive director, Sifam Fibre Optics (Torquay)

West Midlands Industrial Development Board

Chairman
Mr DL Grove
Deputy Chairman and Group Chief Executive, Hill and Smith Holdings plc

Members
Mr PS Bassi
Chairman and Director, Bond Wolfe plc
Dr C Braddock
Principal and Chief Executive, Matthew Boulton College
Mr MC Day
Plant Manager, Eaton Aerospace
Mrs LM Evans
Managing Director, K & S Plating Company Ltd
Dr RD Jones
Managing Director, Altair Engineering Limited
Mr D Lovatt
Chairman, The Potteries Die Company Ltd
Mr A Manning-Cox
Partner, Wragge & Co
Mr HC Marshall
Non-Executive Director, Hill and Smith Holdings plc
Mr PM Mathews CMG
Chairman and Managing Director, Black Country Metals Limited
Mr MJ Smith
Chairman, West Midlands Manufacturing Advisory Service
Professor P Stoneman
Research Professor, University of Warwick
Mr DJ Waller
Partner, PricewaterhouseCoopers
Mr M Wilson
Former Senior Vice President, Celestica Ltd

Yorkshire and the Humber and the East Midlands Industrial Development Board

Chairman
Mr Z Hussain
Programme Director, BT Global Services

Members
Mr M A Sharp
Managing Director, Kingstown Furniture Ltd

Mr T Richardson
Business Development & Marketing Consultant, Courage & Co
Mr D Garside
Director, Garside Consultancy Services
Mr N Pritchard
Finance & Purchasing Director, Rexam Glass Plc
Mr J A Gillan
Managing Director, JAG Tachograph
Mr E Smith Mogg Stanners
Director, Skillfast-UK
Mr A P Bradley
Partner, Shulmans
Mrs C Dunn
Director, The Dales Quality Meat Co Ltd
Mr G Lumby
Head of Business Financial Services, Yorkshire Bank Plc
Mr W Newcomb
Genesis Social Enterprise Ltd
Mr C Fitzpatrick
Nottingham Rural Community Council
Dr M Pick
Consultant working with Universities on material sciences

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