

Buckinghamshire Recovery Investment Fund Project 2020

Evaluation of the Grant Scheme

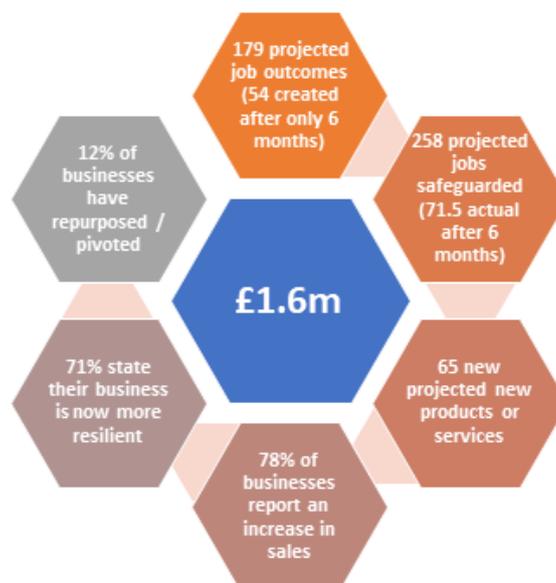
Executive Summary

In March 2020, the Buckinghamshire LEP Board agreed to create an emergency Business Recovery Investment Fund (BRIF) for the immediate relief of Buckinghamshire businesses struggling as a result of the COVID-19 virus. The £2million fund was made up of reallocated Growing Places Fund and other monies. Of the total fund value, £1.6m was set aside to be given out as grants and the remainder was allocated to resource necessary to deliver the programme and other measures designed to support businesses during the crisis and to help them recover afterwards.



Originally the fund was designed to “plug” the gaps of nationally available support to ensure that all businesses were able to receive some support, however, after the first few weeks and due to the increasing levels of national support and the Government’s ever evolving enhanced eligibility and terms, it was agreed to alter the terms of BRIF so that it could supplement the support available nationally. Under the new scheme emphasis was placed on appraising applications on new job creation, new products and services, and on where a grant enabled a swifter re-purposing of a business’s operational activity to support a national response. It was also decided that under certain circumstances, applications would be supported from sole traders or businesses with a single PAYE employee. These exceptional applications would need to be for business resilience or a re-purposing processes supporting the national Covid-19 requirements and would need to be closely aligned with the priority sectors and delivery objectives identified within the Buckinghamshire Local Industrial Strategy.

Demand for the grants was enormous and 464 applications were received with 62 grants awarded by end July. The grant scheme performed well on expectations and whilst outputs could only be projected as the grants were awarded, the last 6 months has allowed an assessment to take place of impacts so far.



Background

The aim of the grant scheme was to support businesses in their response to the impact of the Covid-19 crisis by enabling them to invest in their recovery. Grants were offered at a minimum total value of £3k and a maximum of £120k with a match ratio of £1 matched investment by the business for every £3 grant. Projects were appraised to meet the following criteria:

- An assessment of the viability of businesses as at end February 2020 to ensure grants are made to robust businesses.
- An assessment of what the project could deliver in terms of jobs safeguarded, jobs created, improvements in productivity and/or increased GVA.

Grants were available to organisations which met the following criteria:

- Small and medium sized enterprise (SME)
- Eligible for state aid
- Grants were to support business recovery from the pandemic.
- Were in good financial health prior to February 2020.
- Have two employees plus.
- Have demonstrable demand and rationale for the proposed recovery project detailed in the application.

Programme Aims

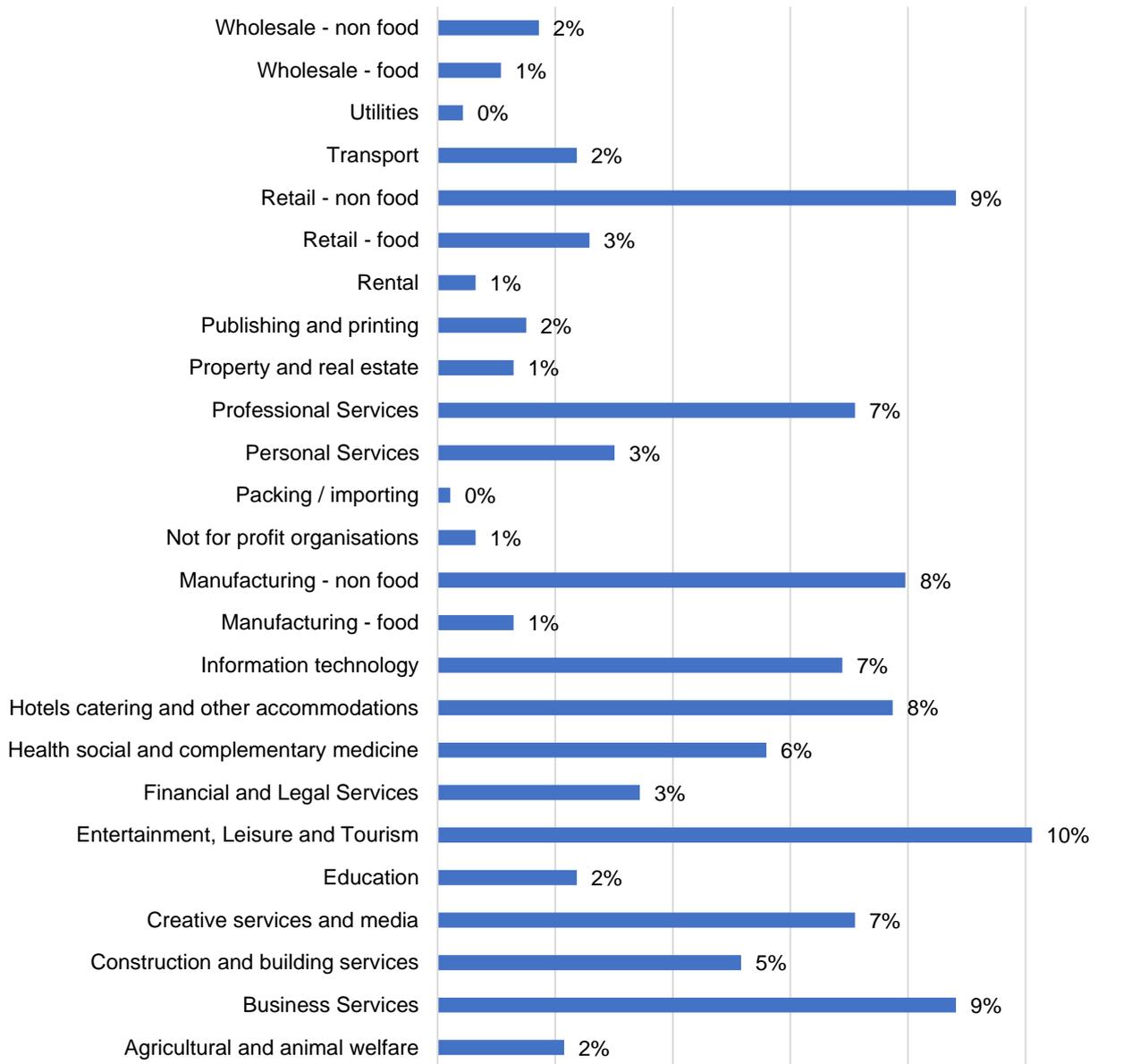
The Buckinghamshire Recovery Investment Fund enabled businesses to access grants of between £3,000 and £120,000 on a basis of 3:1 match funding, with the aspiration that projects contributed towards any/all the following:

- New income streams / product development.
- Improvements in productivity / profitability.
- Safeguarding jobs.
- New job creation
- Accelerated COVID-19 recovery.
- Future resilience.

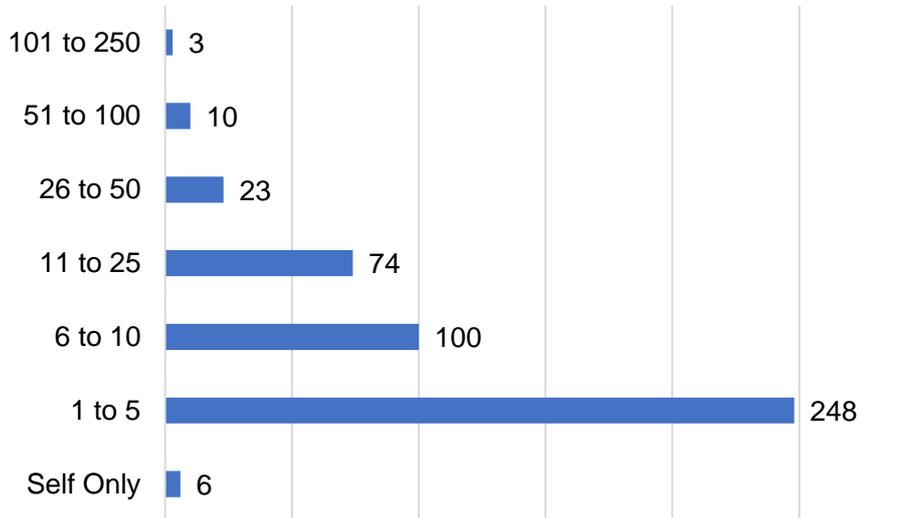
Programme Delivery

There was an exceptionally high demand for the grants from the outset and an unprecedented number of applications were received. Despite this, the delivery team managed to communicate well, overcome challenges, and assist businesses in a methodical, timely fashion. The team worked well together by having regular meetings to track progress, pooling resources, and allocating workload to make sure applications were processed & enquires handled in a timely manner and all data was recorded on the CRM.

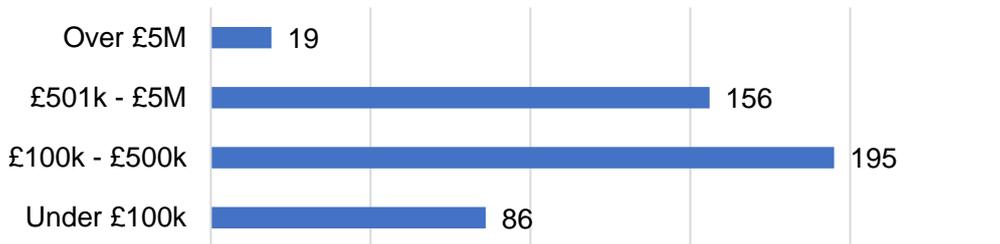
Applications received by sector (%)



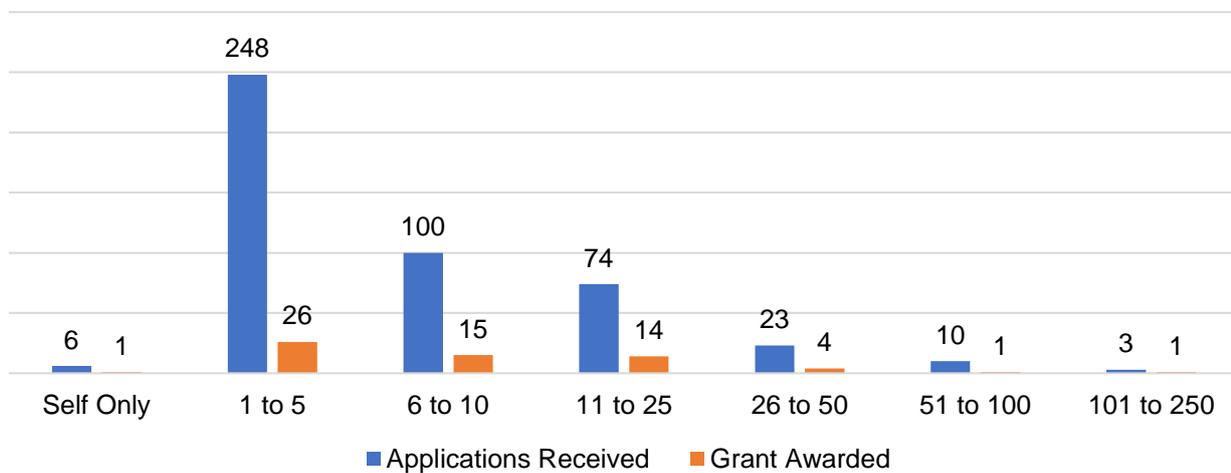
Applications received by company size (employees)



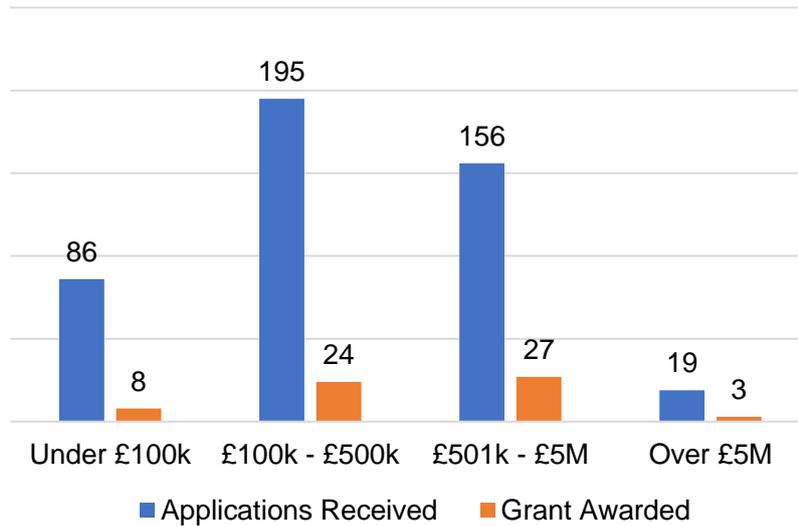
Applications received by company size (turnover £)



Graph to show number of applications to grants awarded by company size (no. of employees)



Graph to show number of applications received to grant awarded by company size (turnover)



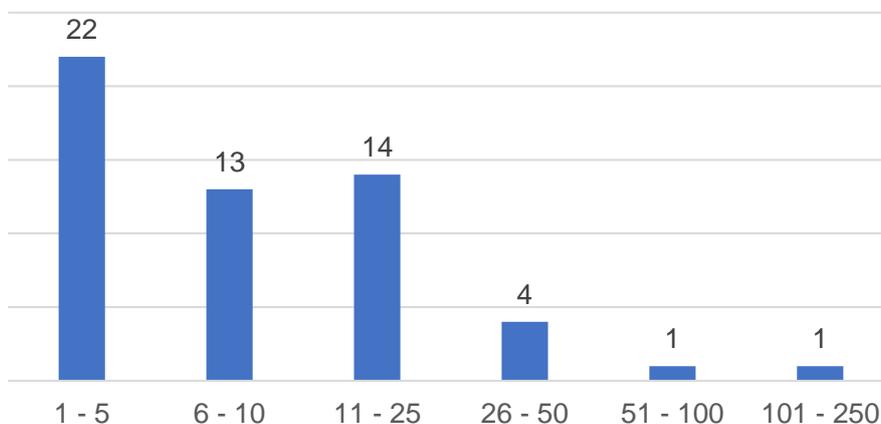
As at 28th February 2021, 3 of the 62 grants awarded have yet to be claimed with extensions to claim periods agreed because of extenuating circumstances and 1 beneficiary has had to withdraw.

Grant Awarded

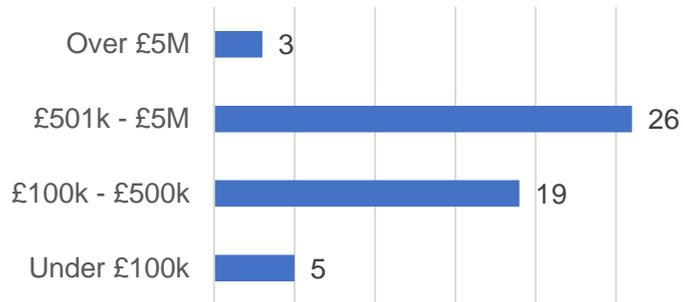
Who did the fund benefit?

The Programme’s eligibility criteria stipulated that to apply for a grant, businesses had to have at least 2 employees. The fund predominantly assisted micro businesses, with 56% of beneficiaries having 10 or fewer employees.

Companies by Size (Employees)

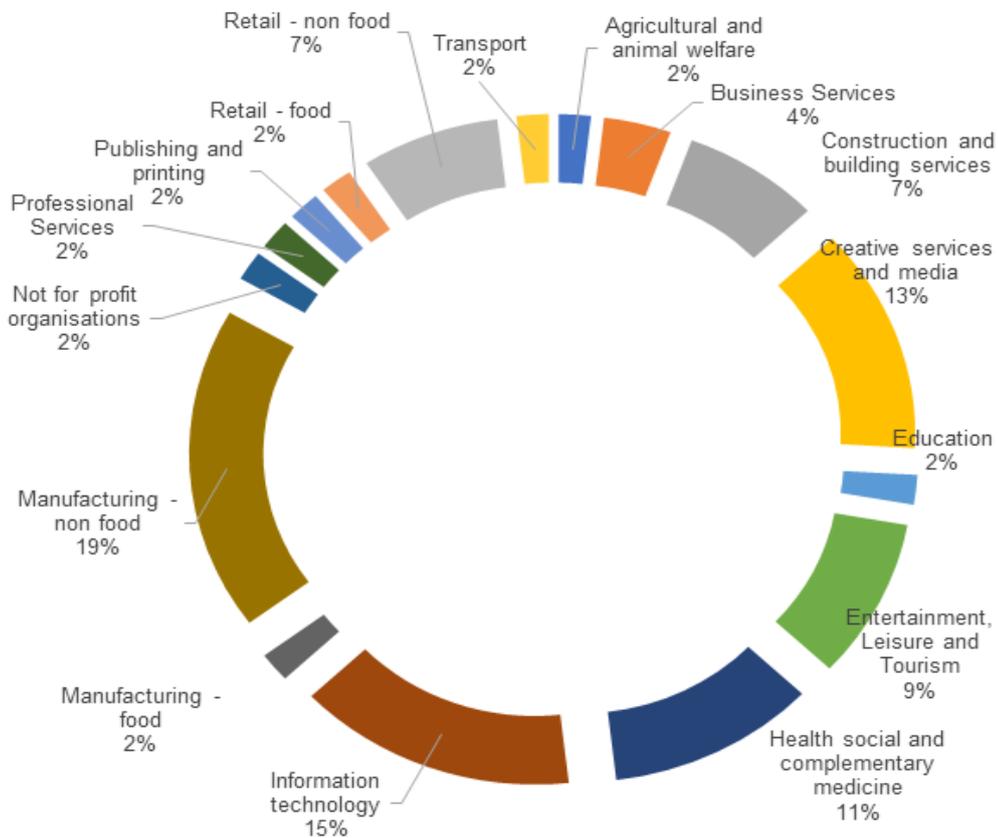


Companies by Turnover (£)

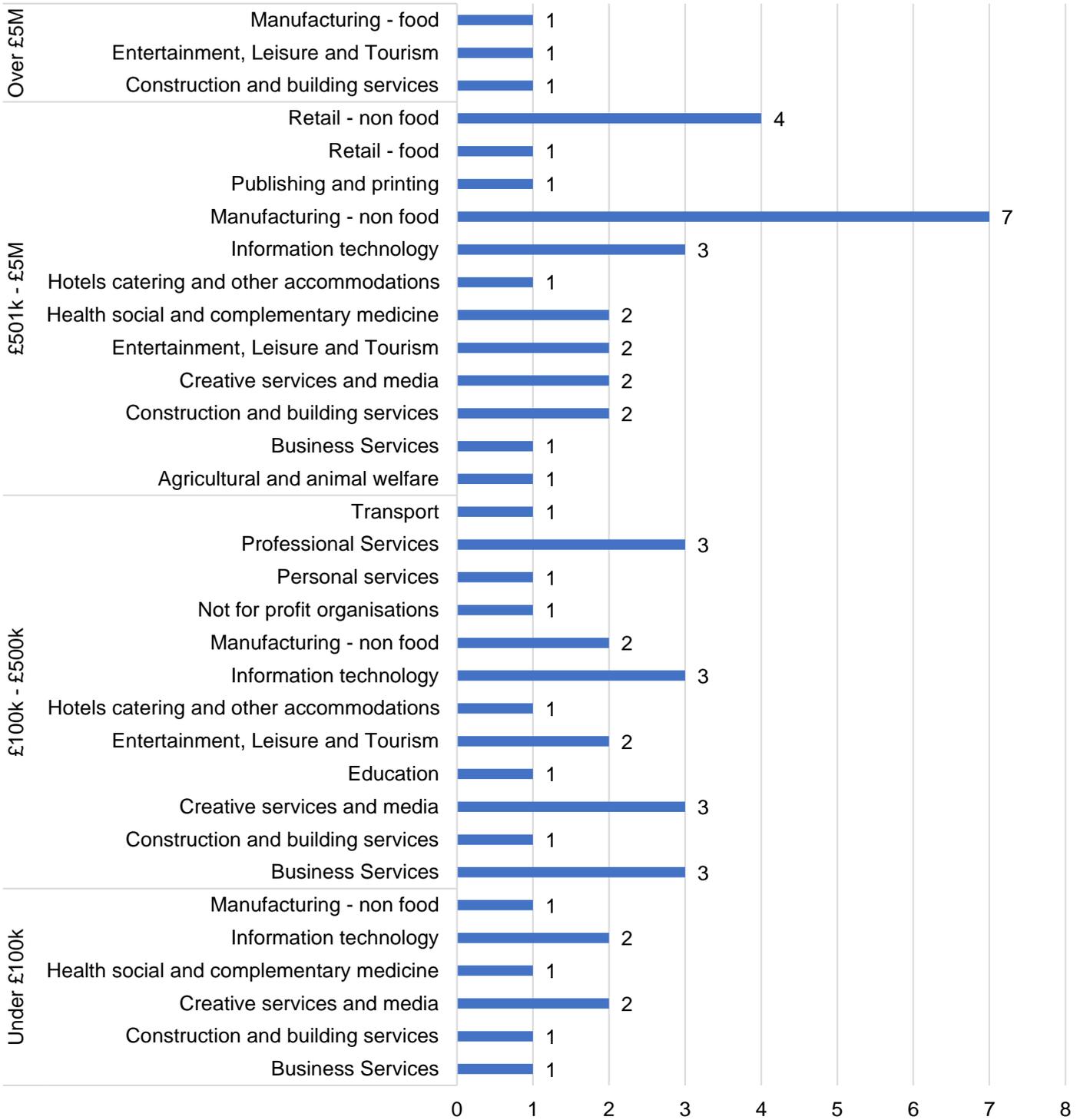


The Programme attracted businesses from a wide range of sectors, including those identified as the most severely impacted by the Covid-19 pandemic, ie live events, hospitality and leisure and entertainment as identified in the Local Enterprise Partnership’s latest report on the ‘Impact of Covid-19 on the Buckinghamshire Economy’, released in February 2021. These sectors accounted for 22% of the business supported through the Buckinghamshire Recovery Investment Fund. Following on from this, the most common sectors accessing the support were manufacturing (21%), information technology (15%) and creative services and media (13%).

Companies by sector (%)



Businesses supported by sector and turnover

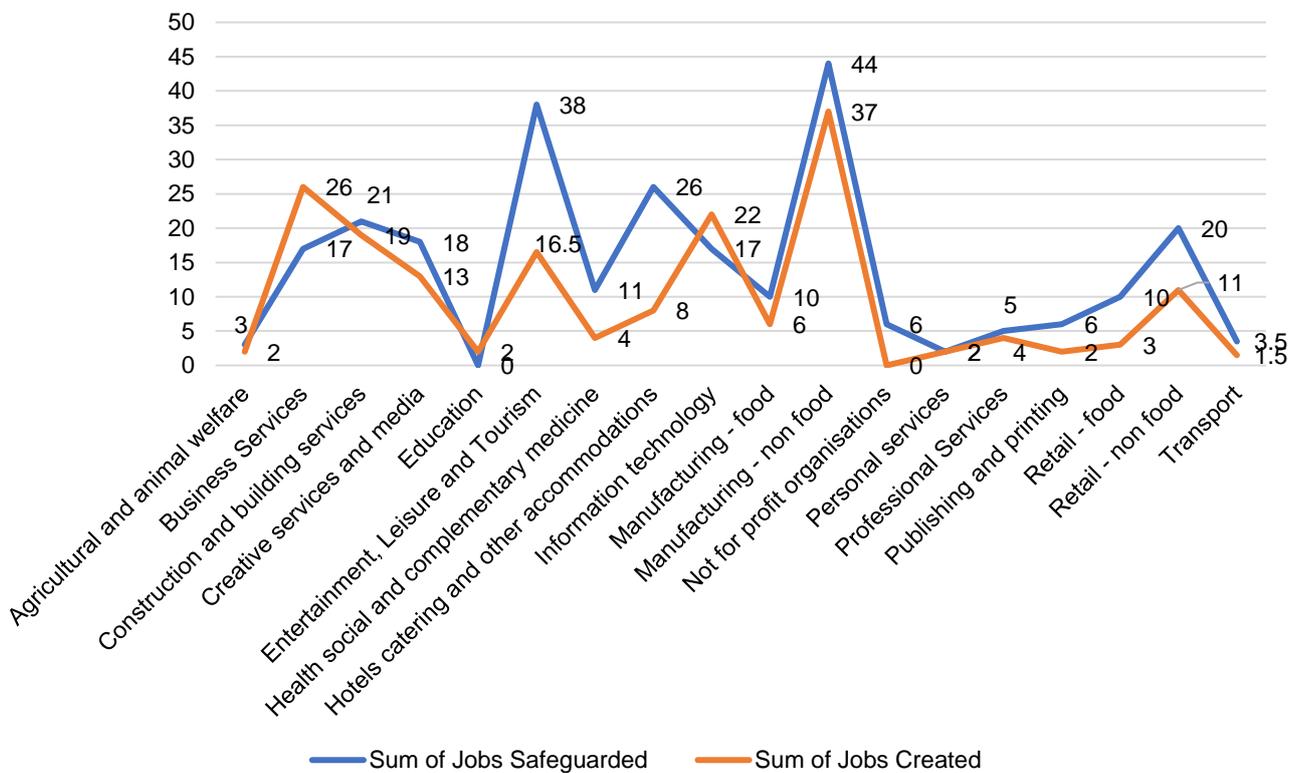


Projected outcomes

The table below summarises project activity and the projected outputs for the Buckinghamshire Recovery Investment Fund at the time of the awarding of the grants.



Projected jobs created and safeguarded by sector



Businesses Use of Grant Funding

Many grant beneficiaries have used some of the funding to invest in marketing activity to improve business growth. Funding has been invested into advertising and marketing (27%) and equipment (22%). For a more detailed breakdown by business name, grant value and use, see appendix 1.

Use of grant funds

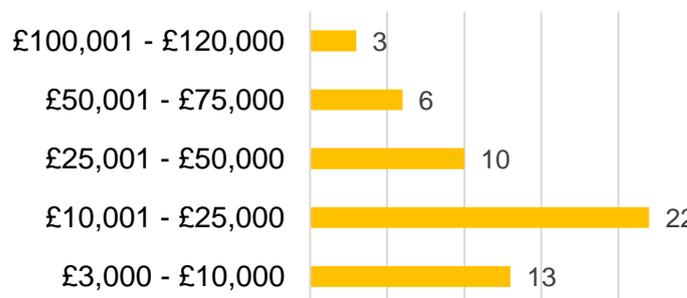


Examples of types of equipment purchased include:

- Cold storage unit
- Audio visual equipment
- Optical diagnostic equipment

Grant Value

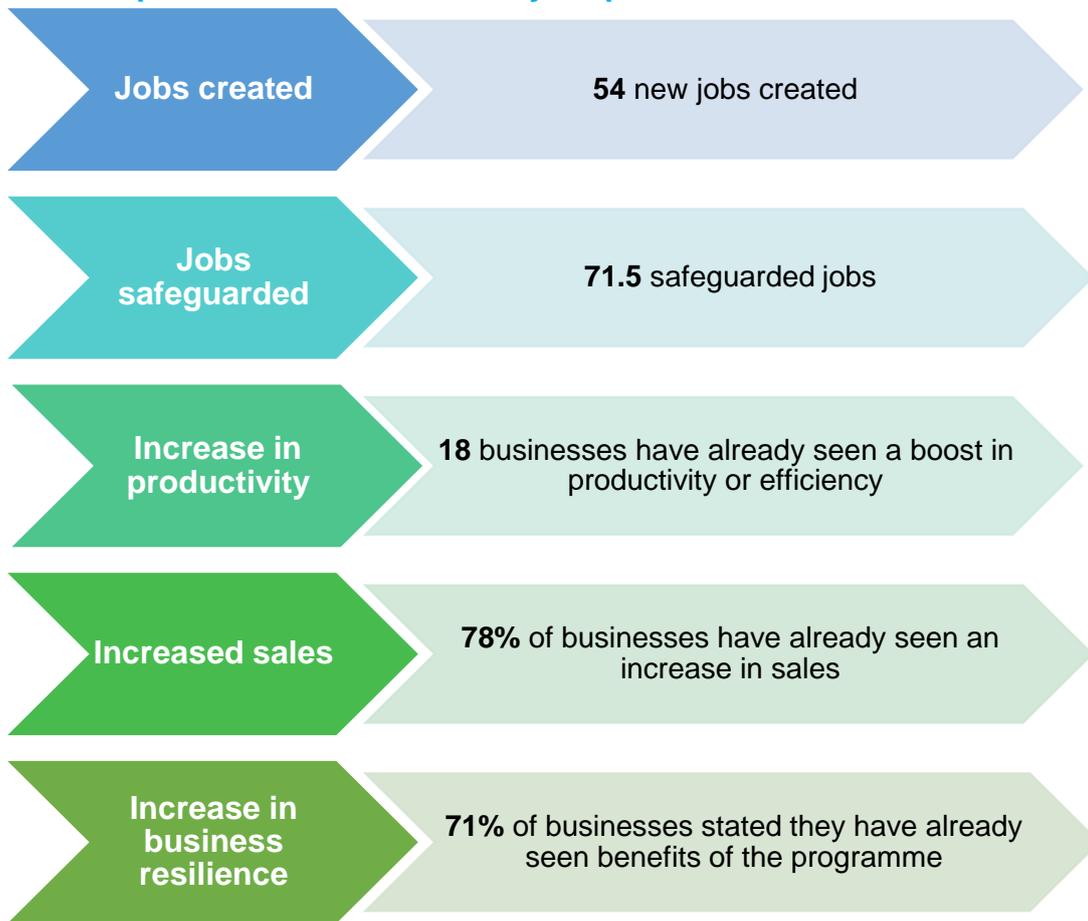
45% of the grant funding has been used for projects costing between £10,001 and £25,000, with only 6% being used for projects over £100,000.



Outcomes and impact 6 months on

The last grant was awarded in July 2020, and to date only 3 grants are left to be claimed. These last 3 have been delayed for a variety of reasons including slow supply chains and slow business purchase due to pandemic. In order to assess the impact of the grants on the beneficiary businesses all applicants awarded a grant have been telephone surveyed and responses from 51 (84%) have been gained, of which 49 have initiated their project. The number of actual new jobs and products/services created as a direct result of the grant are now beginning to be seen, and it is expected that these numbers will grow over time.

What has the impact been so far for survey respondents?



It is already possible to evidence that BRIF has assisted businesses to instigate new activities during the pandemic, and all 49 survey respondents have recorded new benefits.



**54 jobs
created in first
6 months**

30% of jobs projected to be created (179) have already been recruited to date, with 24.5 new jobs in the entertainment, leisure and tourism and hotels, catering and accommodation sectors, which are

highlighted in the LEP Covid-19 research reports, as the some of the most affected industries by the pandemic.

Other new jobs titles include:

- Full-time Engineers
- Digital Marketing Managers
- Cheesemonger
- Print Designer Apprentice

With each new job created having a value of £30,353 (Govt valuation) to the economy the value of these jobs created to date (54) is ££1,639.062 and already surpasses the total funding allocated for the whole project.



**71.5 jobs
safeguarded in
first 6 months**

Additionally, a further 71.5 have been identified as having been safeguarded in the fist 6 months post grant being awarded.



**58% of projected new
services / products
have been achieved
to date**

61% of businesses have seen additional sales and/or profits as a result of their Buckinghamshire Recovery Investment Fund project with one business seeing an £800,000 increase on sales, which is 57% higher than 2019 and net profit rising 360% with many others predicting a reduced loss due to their success within the Programme.

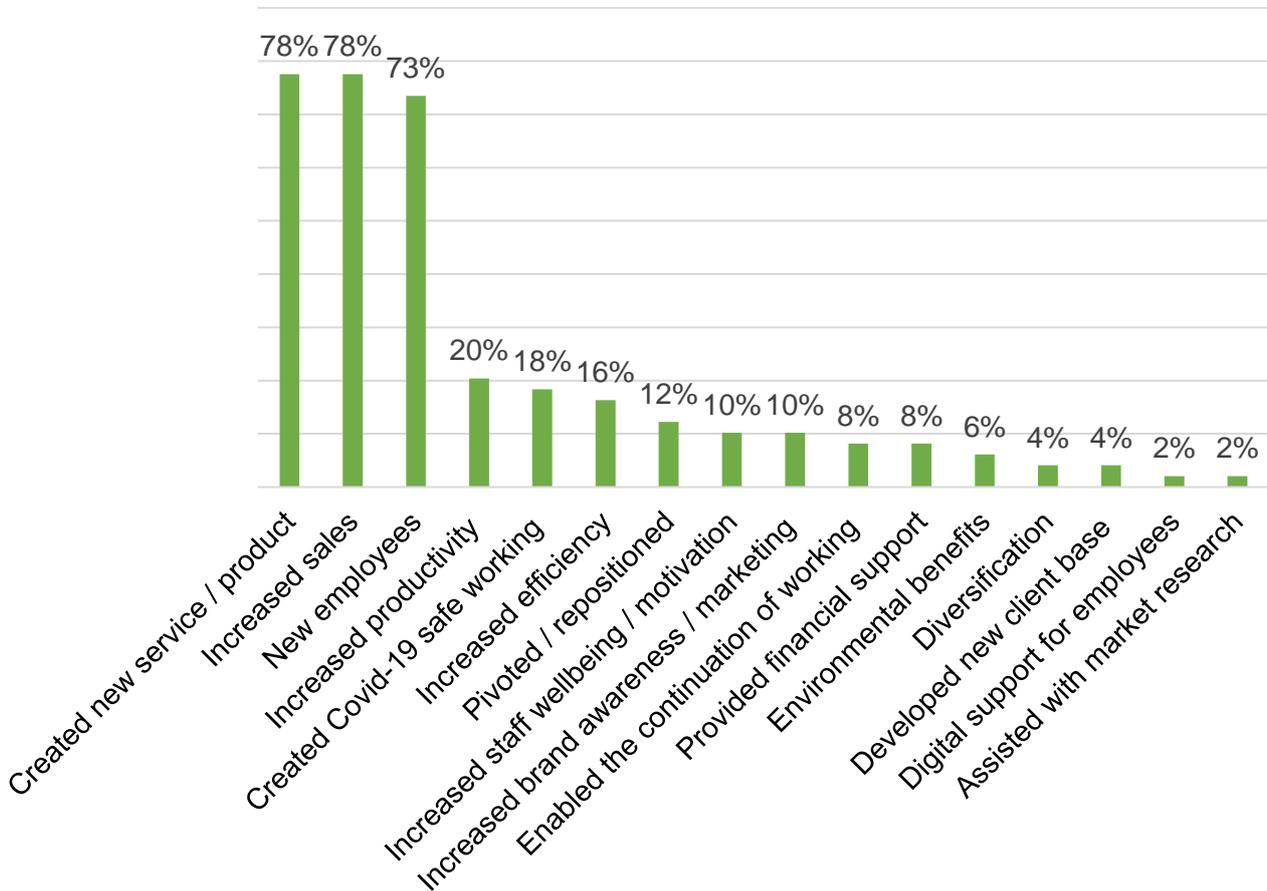


**61% of businesses
have seen additional
sales and/or profits to
date**



**£608,437 of matched
investment has been made
by beneficiary companies**

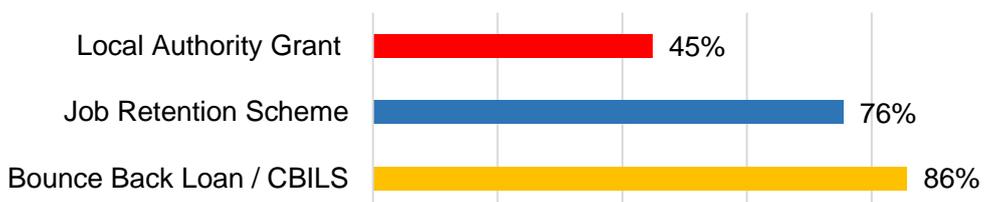
Other benefits that businesses (%) have identified following the implementation of their Buckinghamshire Recovery Investment Fund grant.



Businesses Accessing Additional Support

On following up businesses who had claimed their grants, it was identified that 94% had sought other additional funding to support them through the pandemic, in the form of the Government backed loans including Coronavirus Business Interruption Loan and Bounce Back Loan, the Job Retention Scheme and Local Authority schemes, such as Local Restrictions Support Grant, Additional Restrictions Grant and Retail Business Rates Grant.

Businesses Accessing Additional Support (%)



Issues encountered by businesses in implementing their projects.

30 businesses encountered issues when it came to implementing their projects. These issues included the following:

❖ **Supply chain issues**

One business had difficulties sourcing timber as the supply chain, based in Asia had been affected, in order to meet the needs of the project they had to source from Liverpool as their regular local suppliers were out of stock and therefore they paid inflated prices. This in turn reduced productivity as the business had to spend more time than planned sourcing materials, this did affect the business as they had to lengthen lead times and thus lost some sales.

❖ **Recruitment issues**

One business reports difficulties in recruiting, hiring and training employees via online platforms, such as Zoom and Skype, this is further hindered by not having a designated training space, which would need to be Covid-19 secure.

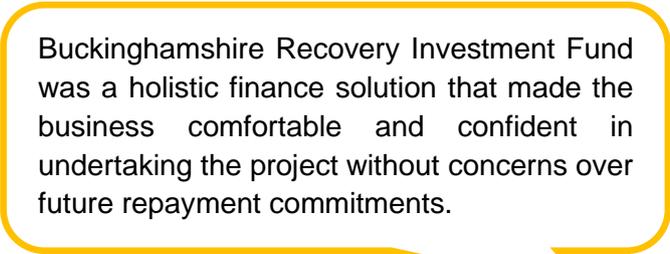
❖ **EU Exit**

Businesses have reported issues following EU Exit with the reliance on a European workforce, which has been further exacerbated by the delay in supply chains.

❖ **Covid-19 restrictions**

The continued Covid-19 restrictions have suppressed demand from retail sector and have delayed some business recovery.

Feedback from Business Beneficiaries



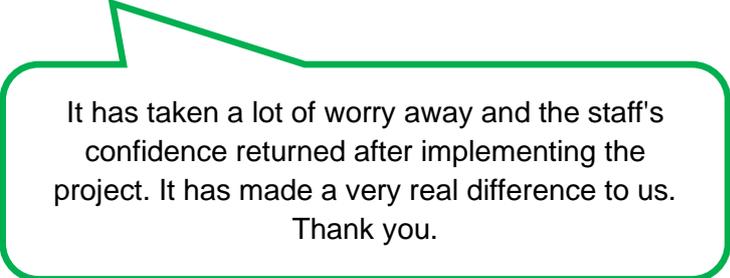
Buckinghamshire Recovery Investment Fund was a holistic finance solution that made the business comfortable and confident in undertaking the project without concerns over future repayment commitments.



The project fired up the guys to get behind the new service



[The project] increased efficiency by 20-30% with a reported increased productivity and staff well-being.



It has taken a lot of worry away and the staff's confidence returned after implementing the project. It has made a very real difference to us.
Thank you.

Appendix 1: Evaluation Methodology

The methodology has comprised:

- A review of monitoring data and data captured on the CRM was conducted to understand the achievements of the Buckinghamshire Recovery Investment Fund.
- Qualitative telephone interviews with businesses receiving a grant were undertaken. Interviews lasted between 30 and 60 minutes. Interviews were qualitative in nature and discussed views on the Programme rationale, progress against targets, and project delivery. 61 businesses were called to survey their project at the final phase - 53 business responded, 49 had started or completed their project.

List of grant beneficiaries with the amount and grant use.

Business Name	Grant Award / Paid Value	Grant Use
Kennett Electrics	£10,000.00	Used to pay for new materials and admin/accounting
Elton Recruitment	£6,967.33	Used to pay ongoing expenses and provide working capital
Veho Solutions and Veho Genie	£4,912.49	Pay for relevant qualifications to enable drivers to drive for the NHS
Aston Commercial Cleaning Ltd	£3,170.42	New cleaning equipment
Insight 63 Ltd	£6,450.00	Marketing and new website to allow post-Covid operations in the new sports industry landscape
Say Goodnight Films	£9,393.53	New equipment for post-production editing
Personal Career Management	£7,089.30	Website development, online training and marketing for new online coaching services
ANT Telecommunications Limited	£5,201.33	IT equipment to allow for home working
Exterior Solutions Ltd	£10,771.73	New 4 brush brushing machine
Widmer Feeds Limited	£8,481.35	IT equipment
Viewpoint Videos Ltd	£26,240.63	Build new video cubes to lease to gokart tracks as they begin to reopen
Siyan Ltd	£65,963.30	Lots of new equipment to make the workplace Covid secure and allow work to be done with social distancing. Also help start new outdoor cinema project
Creative Jam Ltd	£18,752.13	New equipment to allow for new videography and photography services to be done in-house (were previously outsourced)
Jonathan Silva Furniture & Specialist Joinery	£12,686.36	Woodwork machines, marketing and website for new furniture range
Bluestreak Crystals Ltd	£11,641.82	IT equipment and workstation furniture to allow for individual workstations and working from home. Also new crystal counting machine
D2H Engineering Services Ltd	£58,660.50	New software and training to diversify business and products. Also marketing to increase awareness of new products/services
Cube	£30,750.00	Marketing to target larger clients with new editing services. Also new website
Crash-2000.com LTD	£5,226.00	New efficient server to cope with increased demand
Insite Track Ltd	£6,169.58	IT equipment for home working
Adcal Labels Ltd	£11,250.00	New digital cutting machine
Haddenham Osteopathic Clinic Ltd	£22,349.30	Laptops, equipment and training to start online consultations, sessions and conferences
Morgan Brooks Services	£18,000.00	VoIP telecommunications service and CRM system
Xpress Labels Ltd	£120,000.00	New finishing technology for production line to respond quickly to small quantity jobs
All Kids Active Ltd T/A Club Sport	£15,994.00	Training and equipment for new cycling proficiency service for schools

Moonlite Productions Ltd	£17,718.75	New AV equipment, marketing and telesales services for online streaming of events
Cameraman Online Ltd	£14,812.50	New cellular up-link device for cameras to allow for socially distanced filming
June Medical	£15,317.60	IT equipment and software to set up virtual/online training, demos and homeworking
The Racing Bug Ltd	£31,270.88	New CAD-CAM production workshop
Rebellion Beer Company Ltd	£35,755.55	New cold storage unit and till system
Pardgroup UK Ltd	£3,859.25	IT equipment to allow for home working
Protolaunch	£9,631.72	New parts for prototype rocket engine
Galty Ventures Ltd	£13,500.00	Redesigning the manufacture of watch winders
Renovatio Systems Ltd	£46,285.12	Product development services for ear audio module for attachment to PPE and face masks
Uni-versal Extras Ltd	£68,448.00	Software development of mobile app for TV/film extras returning to work
Margan Ltd	£4,425.00	Develop website to showcase products to global consumers
The Plant Room	£40,569.15	New equipment for remote controlled, socially distanced filming
Evolution Live Limited	£18,592.32	Purchase of equipment and web development/design to introduce new service to host virtual live events
Cloudy Group Ltd ta Cloudy IT	£25,210.50	Update website and marketing materials, promotional activities as the business refocusses client base to support public sector organisations in their use of cloud-centric tools
Brian D Suttie (Chesham) Ltd	£14,246.25	Purchase optical diagnostic equipment, which allows tests to be done at a safe distance
Probox Systems Ltd	£120,000.00	Purchase of new machinery to develop product range
The Roald Dahl Museum and Story Centre	£13,725.83	Graphic design of new tour guide displays, PR and marketing of new socially-distance, COVID-safe operation
The Artichoke Restaurant Ltd	£58,729.89	Restuarant revamp and improved health and safety to follow gov guidelines. Also marketing
Arista Electronic Systems Ltd	£116,135.00	Machinery and software to develop new assisted living devices
Westwood Rock Ltd	£36,234.18	Equipment, software and services to design and prototype a new radio module
CGA Consulting Ltd	£13,353.01	Use an engineer to design and manufacture a specialist sensor for the building facilities sector
Bradbury Tracks Ltd	£60,000.00	Acquisition of online fabric and curtain retailer
Aquinna Homes PLC	£18,539.55	Grant to be used to upgrade IT systems which are not antquate for purpose now that much of workforce is working from home and greater telecommunication is required.
Ignite Solutions Ltd	£48,187.50	Grant to be used to develop a VR marketing service for the business. This will include purchase of equipment, software and development and testing of a new VR and AR service. This will enable hands on demonstrations to be had, even when potential customers cannot be present at exhibitions or trade shows. Will also have applicable uses for; conferences, training, and sales.
Maximon Solutions Ltd	£17,150.85	Grant to be used to develop a new CRM and email marketing system. This will enable efficient marketing to new and existing customers, in a more productive manor. A hard-copy brochure is also to be designed in order to send out to potential clients and ensure a variety of marketing to occur.
On Targett Events Ltd	£8,640.00	Plan to create a mobile escape room trailer with social distancing guidelines in mind to diversify offerings and protect core business activities. Bringing new service to market will open up new revenue stream. Mobile nature of the service allows company to go to client, reducing client travel time. Indoor activity removes seasonal restriction of some other outdoor activities on offer. Grant to fund purchase and conversion of the trailer and initial marketing of the new service.
FNB Ltd t/a Physio 4 Wycombe	£3,165.00	Grant to fund development of website to create a 'one-stop-shop' for exercise programs, online booking system, remote advisory service and downloadable medical forms.

Tot Town Nursery	£3,940.50	Grant to be used to develop the outside play areas, so that they can be used in a wider variety of areas, and allow for more children to be in the nursery at one whilst keeping a social distance. An overhead canopy and soft, all-weather surfacing will be built in order to facilitate this. In addition a video tour will be developed so that prospective parents do not need to visit the site, and allow numbers on site to be minimised. Video production company will also run a social media marketing campaign for the business.
Oakpark Alarms Security Services L	£15,790.67	With the support of the grant the Oakpark Alarms would be able to purchase the equipment and systems to set up a new customer showroom and demonstration space at their new premises. Demonstration rooms are a proven sales resource and will assist the business to generate new sales quickly, speed up their recovery, secure existing jobs and generate enough work to create new jobs for engineers and office staff.
Global Infusion Group	£71,693.25	Grant to be used in order to develop an eCommerce platform to allow for bespoke catering and logistics packages and to allow the business to sell current client's products at events they do not have specific stands at (e.g. selling Redbull at a Global Infusion stand when they do not have a Red Bull Stand onsite). Will also allow for clients to book slots and outline requirements online, and allow for stock to be purchased and logged in line with these orders. Development of this centralised distribution system will incorporate new revenue streams and allow smaller clients to incorporate larger clients' products into their sales. IT systems will include a warehouse management system, CRM system, and redesign of website for customer sales and increased capacity for online sales.
Issarcoaches	£16,395.79	Grant to be used to convert one of their coaches to allow for disabled access in line with new legislation. This will allow them to undertake their school and rail replacement contracts which require this service. More rail replacement bus service contracts have been available due to COVID-19.
Wendover Wine & Food Trading Co	£43,679.25	Grant to fund refrigeration and shelving solutions, equipment to offer training courses.

Appendix 2 : Programme Finances as at 28 February 2021

Bucks Resilience Fund - Covid 19 Summary of Finances As at February 2021

	Committed 28th February 2021	Budget Profile 2020-21 (Grant Agreement BLEP/BBF)	Variance As at 28th February 2021	
Income				
Growing places funds (BLEP)	1,753,000	1,753,000	-	
Growth Hub 2020-21 additional allocation (BBF)	175,000	175,000	-	
South East Investment Fund (BLEP)	72,000	72,000	-	
Total Income	2,000,000	2,000,000	-	
Expenditure				
Grants allocated / awarded	1,592,808	1,590,000	2,808	(£1.6m awarded but £14,971.12 withdrawn - suspected fraud)
Technology				
Technology solution to facilitate a sharing community for resource, machine capacity, work space and other assets where supply and need can be identified	75,888	75,000	888	
Staffing / Sector Specialists and assoc costs	312,700	335,000	- 22,300	
Total Expenditure	1,981,395	2,000,000	- 18,605	
Predicted Underspend	18,605	0		

As of the 28th Feb 2021 the finances for BRIF are showing an underspend to budget of £18,605. This underspend will be increased by circa £97,449 when all grants have been paid out as some projects have not spent their full grant award and one £60,000 award has withdrawn as their acquisition opportunity has fallen through and so they will not be claiming the full amount detailed in their grant offer letter.