

Chorley Business Investment for Growth Grant

Appraisal

Name of applicant organisation:	38 Degrees Ltd
Date of Panel:	7 th March 2024
Panel members:	Michelle Horrocks (Head of Economic Growth) Keith Holden (Business Engagement Officer)
Consultees:	Robert Harrison - Finance
Panel Recommendation:	To Approve

Criteria	Comments/recommendations
Background to the project	<p>The project involves relocating from Coppull Enterprise Centre to a new building premises at the Vyking Enterprise Hub on Standish Street in Chorley. The project involves the construction of office & kitchen in their newly acquired unit. Detailed work includes insulation and plastering of office area and kitchen. Installation of sockets, lighting and network cabling. Installation of skirting, arcs and internal doors. Installation of kitchen units, sink and provision for shower display / testing area. Installation of boiler and connection of under floor heating.</p> <p>The new office area will be used to accommodate an additional member of staff. Other work which includes the underfloor heating will support the new member of staff who will be working in the warehouse.</p> <p>Thirty-Eight Degrees are a new innovative business who represent a diverse local business eco system which will protect the community and its customers from economic downturns. When various industries are present, the local economy is more resilient. As the business grows, they hope that their presence will add to the attractiveness of the locality to encourage other businesses to join them and local residents to use them.</p> <p>The planned work will create two new jobs for the business, one which will be office based and one warehouse job.</p>
Is the applicant organisation an SME?	<p>Yes, the applicant meets the definition of an SME.</p>
What sector does the business operate in?	<p>The business operates as agents specialised in the sale of other particular products. The company is registered at Companies House, company number: 14283058</p>
Does the project directly assist the business to deliver their development plans?	<p>Yes. The project will assist the business to grow by introducing a product which is currently unavailable in this area and will hopefully attract other businesses into the units of this new industrial site.</p>

Is the SME based within the Chorley borough?	Yes.										
Are the project activities eligible?	<p>Items</p> <p>CONSTRUCT OFFICES USING 100MM X 50MM TIMBER. INSULATE & PLASTER OFFICE AREA & KITCHEN. INSTALL SOCKETS, LIGHTING & NETWORK CABLING. INSTALL SKIRTING, ARCS & INTERNAL DOORS. INSTALL KITCHEN UNITS. INSTALL SINK & PROVISIONS FOR SHOWER DISPLAY AREA. INSTALL BOILER & CONNECT UNDERFLOOR HEATING SYSTEM.</p> <table border="1" data-bbox="635 701 1396 824"> <tr> <td>PRICE & PRICE BUILDING LIMITED</td> <td>£10,436.67</td> </tr> <tr> <td>CROSTON PLUMBING & HEATING</td> <td>£11,236.67</td> </tr> <tr> <td>CRW PLUMBING & GAS SERVICES</td> <td>£11,500.00</td> </tr> </table> <table border="1" data-bbox="635 1005 1396 1117"> <tr> <td>TOTAL ELIGIBLE COSTS</td> <td>£10,436.67</td> </tr> <tr> <td>TOTAL GRANT @ 50% OF COSTS OR MAXIMUM £10,000</td> <td>£5000.00</td> </tr> </table>	PRICE & PRICE BUILDING LIMITED	£10,436.67	CROSTON PLUMBING & HEATING	£11,236.67	CRW PLUMBING & GAS SERVICES	£11,500.00	TOTAL ELIGIBLE COSTS	£10,436.67	TOTAL GRANT @ 50% OF COSTS OR MAXIMUM £10,000	£5000.00
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Is the company based in the transport sector, or concerned with the production of agricultural equipment?	The company is not involved in either of these activities and is therefore eligible for support under the EU state aid rules.										
Has the company adhered to design advice and Planning regulations?	The applicant was aware of Advertising Consent, and all works due to be undertaken are internal.										
Do the company accounts indicate sound financial management?	<p>The Project Accountant has commented as follows:</p> <p>Thirty-Eight Degrees Limited is a new company only registered in August 2022.</p> <p>There is a Bank statement provided to prove they have the sufficient funds to cover their share of the project.</p> <p>The company currently has a credit rating of 47 (out of 100). Based upon the company's latest industry classification, today's score of 47 places the company in the middle to lower 25% of 6,545 companies sampled from the same industry.</p>										

<p>Outputs</p> <p>Floor space improved/ created (Sqft) 549sq ft.</p> <p>No of jobs created 2</p> <p>No of jobs accessed by a Chorley resident in the Borough 2</p> <p>Private sector investment</p>	<table border="1"> <tr> <td data-bbox="630 763 683 864">A</td> <td data-bbox="683 763 1219 864">Projected grant award <i>subject to approval</i></td> <td data-bbox="1219 763 1401 864">£5,000.00</td> </tr> <tr> <td data-bbox="630 864 683 992">B</td> <td data-bbox="683 864 1219 992">Balance of grant project <i>difference between grant award (A) and total eligible grant costs</i></td> <td data-bbox="1219 864 1401 992">£5,436.67</td> </tr> <tr> <td data-bbox="630 992 683 1093">C</td> <td data-bbox="683 992 1219 1093">Total private sector investment <i>D minus A</i></td> <td data-bbox="1219 992 1401 1093">£5,436.67</td> </tr> <tr> <td data-bbox="630 1093 683 1193">D</td> <td data-bbox="683 1093 1219 1193">Total Project Cost <i>As indicated by the applicant Equal to C plus A</i></td> <td data-bbox="1219 1093 1401 1193">£10,436.67</td> </tr> </table>	A	Projected grant award <i>subject to approval</i>	£5,000.00	B	Balance of grant project <i>difference between grant award (A) and total eligible grant costs</i>	£5,436.67	C	Total private sector investment <i>D minus A</i>	£5,436.67	D	Total Project Cost <i>As indicated by the applicant Equal to C plus A</i>	£10,436.67
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<p>Value for money</p> <ul style="list-style-type: none"> • outputs vs grant expenditure • business/community/social benefits 	<table border="1"> <tr> <td data-bbox="630 1384 900 1417">Total eligible costs</td> <td data-bbox="1190 1384 1342 1417">£10,436.67</td> </tr> <tr> <td data-bbox="630 1424 1070 1491">Total grant @ 50% or maximum £10,000</td> <td data-bbox="1190 1424 1326 1458">£5,000.00</td> </tr> </table> <p>Recommendation:</p> <p>They will measure the benefits of the grant to the business via financial, operational, employee and market metrics.</p> <p>They will measure the benefits of the Chorley economy primarily through employment metrics which are job creation and local hiring along with tax payments and education & training initiatives.</p> <p>They will also focus on their environmental responsibilities and will monitor and actively work on their efforts to reduce their environmental footprint.</p>	Total eligible costs	£10,436.67	Total grant @ 50% or maximum £10,000	£5,000.00								
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<p>Can the business deliver benefits through the Community Repayment Scheme?</p>	<p>Will agree this going forward with the Council/Business Engagement Team and hopefully have an open day and support/sponsor any future local events & Council initiatives.</p>
<p>Recommendation</p> <p><u>Approve</u> / defer / reject</p> <p>Grant Award approved 07.03.24</p> <p>.....</p>	<p>.....</p> <p>Michelle Horrocks Head of Economic Growth</p>