

13. EAST OF SCOTLAND INVESTMENT FUND - REPORT BY HEAD OF PLANNING AND ECONOMIC SERVICES (HEREWITH)

The Council Executive considered a report (copies of which had been circulated) by the Head of Planning & Economic Development providing an update on the performance of the East of Scotland Investment Fund (ESIF) and to seek authority to appoint the Head of Planning & Economic Development as a Director of ESIF.

The report advised that the East of Scotland (ESIF) was formed in 2010/11 as a company limited by guarantee with founding and subscribing members comprising ten local authorities. The funding model consisted of loans from member authorities and matching European Regional Development Funding (ERDF).

ESIF worked by each local authority making secured loans to viable local businesses to help with investment and job creation. Le by the council's Business Gateway service ESIF lending had helped lever in additional private funding of over £3.5 million to date for local firms.

In the past three years the council made loans totalling £673,000 to local firms. The average loan value was in the range of £30,000 to £40,000. Loans were secured against company assets; personal guarantees were often taken for the duration of the loan which was typically three years.

Participation in ESIF was supported by the Development & Transport PDSP and approved by Council Executive in 2010. An EISF member's agreement was concluded in 2010 for the ten founding local authorities. As a result of the recent appointment of the Head of Planning & Economic Development it was necessary to appoint the post holder as a Director of EISF. No specific delegation for this appointment existed.

The report recommended that the Council Executive:-

1. Note the performance of ESIF.
2. Approve the appointment of the Head of Planning & Economic Development as a Director of ESIF.
3. Amend the Scheme of Delegation to allow for the appointment of the Head of Planning & Economic Development.

Decision

To approve the terms of the report.