

NEWS RELEASE

30 August 2002

New £12.5 million financial support package for South Yorkshire Businesses available in October

The Objective 1 Programme is committing an additional £12.5 million from Europe to support South Yorkshire businesses in a new scheme that will open for business at the end of October.

Access to finance for small and medium-sized businesses is a critical issue for the continued development of the South Yorkshire economy and was highlighted in the recently published 'Prospectus for Cluster Development in South Yorkshire'. Objective 1 is helping to address this need by committing these substantial sums to a financial support package as part of its continuing support to help local companies innovate and grow.

The new scheme will build on the Objective 1 funded 'Invest for Growth' schemes that have committed around £18 million of investment from Europe in South Yorkshire businesses over the past 18 months.

"Invest for Growth has been extremely successful," says Brian James, managing director of Business Link South Yorkshire, deliverer of the scheme. "Over its eighteen months lifespan the schemes, have helped nearly 700 small firms in South Yorkshire, creating nearly 2,000 new jobs and buying £165 million of new GDP. The new scheme is sure to build on that success."

The new scheme will complement other products such as the South Yorkshire Investment Fund, Regional Selective Assistance, Enterprise Grants and general commercial funding. The scheme will support projects that will give a company a competitive edge within their industry. The funding available will support ambitious projects and allow companies to develop new products, processes and markets by accessing and utilising new technologies and innovative working practices.

Julian White of Objective 1 said: "the new scheme will provide companies with the access to finance they require to support the conversion of innovative concepts into new products and business opportunities. It will build on the lessons learnt from existing schemes and blend grant with loan finance where appropriate. This initiative, which will be delivered by Business Link South Yorkshire, will sit alongside and work with the South Yorkshire Investment Fund. This 'financial packaging' approach will encourage innovation and the exploitation of new technology to enhance the competitive edge of South Yorkshire's companies. A key component of the programme will be to support these ambitious companies through management development and skills programmes."

The detailed design of the new scheme is underway and is being developed in collaboration with the South Yorkshire business community, led by the Chambers of Commerce. John Lewis, Chief Executive of Rotherham Chamber, who is part of the team designing the package, stressed the importance of businesses being involved. "It is encouraging that Objective 1 has actively engaged with the business community in developing these financial support measures to build upon the success of the Invest for Growth programme. This partnership approach including the key agencies of Business Link South Yorkshire, the Chambers, Learning and Skills Council, South Yorkshire Investment Fund and Objective 1 ensures that our companies will be able to access the finance they need to develop new products, processes and access to new markets."

Flashback: May 2001 - Dinnington-based Manor Motorsport Ltd received 'Invest for Growth' funding of £140,000, brokered by Business Link South Yorkshire, to develop and expand its formula race car engineering operation.

Attached is a photo of (left to right): David Sheppard, Business Adviser; Sylvia Yates, Programme Director at Objective 1; Brian James, Managing Director of Business Link South Yorkshire; and John Booth, Managing Director of Manor Motorsports.

-ends-

Issued by

Richard Holmes
Communications Manager
Objective 1 Programme Directorate
Silkstone House
Pioneer Close
Wath Upon Dearne
ROTHERHAM S63 7JZ

Telephone: 01709 763618
Fax: 01709 763679
Email: richardholmes.goyh@go-regions.gov.uk