

Pivotal Enterprise Resilience Fund - Assessment	
Project Title/Description	Covid19 Resilience Remedy
Name of Project Officer	[Redacted]

Business/Organisation Description and Capability	
Case number/Ref/ID	HIE03113
Name of person making application (if available)	[Redacted]
Applicant business name	Sandstone Press Ltd
Applicant Business address and postcode	Suite 1, Willow House, Stoneyfield Business Park, Inverness IV2 7PA
Nature of business (provide brief description of what business does)	SPL is an independent publisher specialising in fiction, crime and non-fiction outdoor and biographies.
Number of FTE's from application	8
Turnover (according to last set of management/financial accounts)	[Redacted]
Conflict of Interest Assessment (guidance to be sought from Director of Business Improvement and Internal Audit) if any conflict of interest recorded.	[Redacted]
Fair Work Employer or working towards	[Redacted]

**Local Economic Importance, Place and Inclusive Growth (VITALITY)**

<b>Criteria (select one)</b>	<b>Score</b>	<b>PROJECT OFFICER COMMENTARY (no more than 350 words)</b>
The applicant has minimal socio-economic impact in the local economy (1 pt)	[Redacted]	<p>Sandstone Press Ltd is the largest independent publisher in the HIE region. Originally operating from Dingwall but recently moved to Inverness, they are a multi-award winning and well-respected operation having secured the Saltire Society Scottish Publisher of the Year for the second time in 2019 as well as seeing their book Celestial Bodies win the Man Booker International prize – an award second only to the Man Booker itself. [Redacted]</p> <p>[Redacted]. As many publishers will be forced to publish a large number of books in a short period of time, probably on the run up to lucrative Xmas period, this will see high print costs, low numbers reaching shops, and higher potential returns of unsold books. The nature of the industry often sees peaks and slumps for sales whereas some costs remain constant (staff, rent etc) and print costs can be an immediate high commitment with subsequent sales feeding back over a much longer period of time.</p> <p>SPL have built a strong reputation within the industry and are well-respected. They could be considered to 'punch well above their weight' especially on the back of their list of awards won. [Redacted].</p>
The applicant has modest socio-economic impact in the local economy (3 pts)		
The applicant has significant socio-economic impact in the local economy (5 pts)		

**Leverage on wider business community and impact on economic recovery (VITALITY)**

<b>Criteria (Select one)</b>	<b>Score</b>	<b>PROJECT OFFICER COMMENTARY (no more than 350 words)</b>
Business has a minimal impact in economic recovery (1 pt)		<p>The supply chain involves typographers, printers, distributors, designers and translators, [redacted]. They also offer suitably talented authors, again many of them local, the chance to promoted in print – opportunities that otherwise may not occur.</p>

Business has a modest impact in economic recovery (3 pts)	Redacted	The number of their books shortlisted for literary prizes such as Betty Trask, Wainright and RSL Encore not to mention additional wins (Favourite Scottish Nature Photography Book – The Secret Life of the Mountain Hare) indicates that this is a successfully employed strategy.
Business has a high impact in the economic recovery (5 pts)		[Redacted]

<b>Geographic location (VULNERABILITY)</b>		
<b>Criteria (select one)</b>	<b>Score</b>	<b>PROJECT OFFICER COMMENTARY (no more than 350 words)</b>
Business activity is located on one of Scotland's 96 islands with less than 1000 population AND/OR business is located in a fragile area (5 pts)	[Redacted]	<p>The business relocated to Inverness from Dingwall last year. This was due to two factors – the proposed sale of their original base and to allow visitors (agents, sector leaders etc) a much easier journey. There were no known staff changes as a result of this move. This move would also have had no effect on their marketplace given the nature of their industry.</p> <p>[Redacted]</p>
Business activity is located on one of Scotland's 96 islands with 1000 population or more OR business is in a non-fragile area greater than 30 minute's drive from Inverness and Elgin (according to Google Maps) (4 pts)		
Business activity located 30 minutes drive or less to Inverness or Elgin (according to Google Maps and whatever town is nearest to the applicant) (3 pts)		
Business activity located in Elgin (2 pts)		
Business activity located in Inverness (1 pt)		

**Financial Assessment (VIABILITY and VULNERABILITY)**

<b>Criteria (select one)</b>	<b>Score</b>	<b>PROJECT OFFICER COMMENTARY (no more 500 words)</b>
Assessment identifies that the forward plans DO NOT demonstrate viability (0 pts)	[Redacted]	[Redacted].
0-24% reduction in total projected revenue over 6 months due to Covid emergency AND demonstrating viable business moving forward. (1 pt)		
25-49% reduction in total projected revenue over 6 months due to Covid emergency AND demonstrating viable business moving forward. (2 pts)		
50-59% reduction in total projected revenue over 6 months due to Covid emergency AND demonstrating viable business moving forward. (3 pts)		
60-69% reduction in total projected revenue over 6 months due to Covid emergency AND demonstrating viable business moving forward.(4 pts)		
70% plus reduction in total projected revenue over 6 months due to Covid emergency AND demonstrating viable business moving forward. (5 pts)		

Funding requirements			
<b>Total Pivotal Enterprise Resilience Funding requested by applicant</b>		[Redacted]	<b>Overall funding requirement assessment by Project Officer (£) (Max 500 words)</b>  [Redacted] it does have a pivotal place in the sector within the local and wider Highland economy.  [Redacted]
Other COVID funding applied for:	Value £	Status of application	
CBILS	[Redacted]	Choose an item.	
Rates Relief via local authority	[Redacted]	Choose an item.	
Job Retention (Furlough)	[Redacted]	[Redacted]	
Other(s) (specify) <sup>1</sup> :	[Redacted]	[Redacted]	
Has the business/organisation demonstrated:			
a. it has exhausted all potential public and private financial options?		[Redacted]	
b. it is not receiving sufficient public grant support from elsewhere?		[Redacted]	
c. the need for the PERF support at the level applied for?		[Redacted]	
d. if (c) is no, is the project officer recommending a different level of funding? (if yes please outline below and in recommendation)		[Redacted]	
<b>TOTAL PIVOTAL ENTERPRISE GRANT FUND AMOUNT RECOMMENDED BY PROJECT OFFICER IF LESS THAN APPLICANT'S REQUEST (£)</b>		70,000	

<sup>1</sup> If the applicant is in the seafood or agricultural sector please seek advice from State Aid Team. Also if applicant has received Covid 19 Emergency Seafood/Aquaculture grants please seek guidance from State Aid team.

State Aid Assessment	
<b>State Aid Tests</b>	
Is the beneficiary an undertaking engaged in economic activity?	Y
Is there a transfer of state resources?	Yes
Does the assistance provide an economic advantage?	Yes
Does the assistance distort competition by selectively favouring certain undertakings?	Yes
Is the assistance likely to affect trade between the UK and other Member States? (If the product or service is purely traded, or is competing, within a local market and is unlikely to influence or attract EU/EEA consumers it is unlikely to affect trade)	Y
<b>Is there State Aid involved?</b> If the answer to all questions above is "Yes", State aid is present – Answer Yes If the answer to <b>any</b> question is "No", it is non-State Aid – Answer No	Y

<b>Based on the applicant DECLARATION was the applicant an undertaking in difficulty at 31 December 2019</b> <small>Must be "No"</small>	N
<b>Based on simple assessment of the loss of share capital test (where appropriate) is the applicant a firm in difficulty?</b> (if YES recommend rejection for this fund and refer for alternative support, unless a high pivotal score awarded in which case refer to the guidance. Paste test result below.)	N
<b>Type of State Aid cover</b>	Covid-19 Temporary Aid

**Recommendation**

<b>Criteria to assess Vitality, Vulnerability and Viability )</b>	<b>Score</b>
Local Economic Importance, Place and Inclusive Growth (Vitality)	[Redacted]
Leverage on Wider Business Community (Vitality)	[Redacted]
Geographic Location (Vulnerability)	[Redacted]
Financial Assessment (Vulnerability and Viability)	[Redacted]
Overall score (maximum is 20 points)*	[Redacted]

**\*It is suggested that unless there are other factors that the project officer wish to bring to the attention of the approving authority, application with a score of less than 12 are recommended for automatic REJECTION.**

**Please see summary commentary.**

Based on the assessment and scoring it is recommended that grant funding of £70,000 in favour of the applicant is recommended for APPROVAL.

<b>Recommended for Approval by</b>	[Redacted]	<b>Date:09/05/2020</b>
<b>Approved by</b>	Investment Committee	<b>Date: 15052020</b>