

Assessment No	1078	Owner	brmccolgan
Resource	Regeneration, Environment and Growth	Service	Regeneration
	FirstName	Surname	Job Title
Head Officer	Alan	Douglas	Chief Officer Regulatory & Regeneration
Members	Gillian Scholes, Business Gateway Manager/Business Support Co-ordinator Brian McColgan, Business Support Officer		
	<i>(Please note: the word 'policy' is used as shorthand for strategy policy function or financial decision)</i>		
Policy Title	Withdrawal of Funds from Business Loans Scotland (BLS)		
	The aim, objective, purpose and intended out come of policy		
	<p>BLS is incorporated as a company limited by guarantee and administers a number of loan funds providing finance of between £25,000 - £250,000 to growth small and medium sized businesses across Scotland.</p> <p>The Council currently has £230,000 funds in BLS which has built up over the last few years from interest payments from business loans which were transferred from West of Scotland Loan Fund (WSLF) to BLS. The BLS Articles of Association states that any funds withdrawn from the fund must be ring-fenced for business development purposes.</p> <p>Scottish Government have decided not to recapitalise the scheme under which BLS was originally funded, which means BLS won't be able to process or approve any further loan applications and will only be responsible for maintaining the existing loan portfolio.</p> <p>A BLS Working Group was set up to look at the future "lending" options for Business Loans Scotland. BLS have presented Member Authorities with the following three options: -</p> <ul style="list-style-type: none"> • Option 1 - as a Local Authority Member of BLS are you prepared to allow 35% of your ring-fenced cash at bank balance to be top sliced thereby creating a £3.5 million Fund to allow lending to continue to SMEs based in Scotland on a demand led, first come first served basis. • Option 2 - do you want to continue lending to SMEs in your own local authority area using your ringfenced cash at bank balance within BLS? • Option 3 - do you want BLS to cease lending to SMEs? <p>Option 1 would result in West Dunbartonshire Council funding being used to provide loan funding to businesses out with the West Dunbartonshire boundary and would therefore not be considered as a viable option.</p> <p>Option 2 would mean loan funding only being delivered in some Local Authorities and (mostly) at a relatively small scale. This may also cause duplication in the marketplace as there are other loan providers that can provide business loan funding such as DSL Finance Ltd, Funding Circle & British Business Bank.</p> <p>The recommended option would be option 3, for BLS to cease lending to SMEs, which would allow the Council to withdraw the remaining funds from BLS (approximately £230,000) to use for local business development purposes.</p>		
	Service/Partners/Stakeholders/service users involved in the development and/or implementation of policy.		
	Economic Development		

Does the proposals involve the procurement of any goods or services?	No
If yes please confirm that you have contacted our procurement services to discuss your requirements.	No
SCREENING	
<i>You must indicate if there is any relevance to the four areas</i>	
Duty to eliminate discrimination (E), advance equal opportunities (A) or foster good relations (F)	No
Relevance to Human Rights (HR)	No
Relevance to Health Impacts (H)	No
Relevance to Social Economic Impacts (SE)	Yes
Who will be affected by this policy?	
Who will be/has been involved in the consultation process?	

Please outline any particular need/barriers which equality groups may have in relation to this policy list evidence you are using to support this and whether there is any negative impact on particular groups.

Specific group to consider	Needs	Evidence	Impact
Age			
Disability			
Gender Reassign			
Marriage & Civil Partnership			
Pregnancy & Maternity			
Race			
Religion and Belief			
Sex			
Sexual Orientation			
Human Rights			
Health			
Social & Economic Impact	<p>The Council wants to support local businesses</p> <p>We must also have due regards to the Fairer Scotland Duty</p>	<p>Disinvesting in the BSL allows funds to be invest in local businesses</p>	<p>Some potential positive impacts for local economy.</p>
Cross Cutting			

Actions

Policy has a negative impact on an equality group, but is still to be implemented, please provide justification for this.

Will the impact of the policy be monitored and reported on an ongoing basis?

Q7 What is your recommendation for this policy?

Introduce

Please provide a meaningful summary of how you have reached the recommendation

EIA 1078: Some potential positive impacts for local economy. Disinvesting in the BSL allows funds to be invested in local businesses. This is in line with our local business development activities and services are outlined in the Council's Economic Development Strategy, which has been the subject of an Equalities Impact Assessment and approved by Committee. This proposal represents a continuation of WDC business development support.