

News Release

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RSA CONTINUES TO SUPPORT RECOVERY

Many companies in Scotland are continuing to expand and create new jobs in a challenging economic climate, John Swinney said today.

The Finance Secretary was speaking on a visit to North Ayrshire after it was revealed that 88 firms in Scotland accepted offers of Regional Selective Assistance (RSA) in the last year, linked to the creation or safeguarding of more than 5,000 jobs.

Mr Swinney today visited one of those companies – Irvine-based engineering firm NPI Solutions – which accepted £210,000 to create 17 new jobs.

He said:

“At a time when Scotland is undoubtedly feeling the effects of a global downturn, it is encouraging to see a number of companies in a variety of sectors continuing to expand their operations.

“The kind of investment we see from firms such as NPI Solutions here in Irvine in creating new jobs, supported by RSA from the Scottish Government, can help position our economy for recovery.

“Schemes such as RSA are all the more important in a recession when businesses rightly demand swift, decisive and comprehensive action to help them through the tough times.

“The Scottish Government’s economic recovery programme is already supporting up to 15,000 jobs across Scotland. Going forward, our actions – including accelerated capital spending and more money for affordable housing – have the potential to support and create thousands more over the long term.

“The pace will not slacken and we will continue to listen to the needs of businesses and communities across Scotland, as I will be doing in North Ayrshire today.”

Mr Swinney’s programme also includes the signing of North Ayrshire Council’s Single Outcome Agreements.

NOTES FOR NEWS EDITORS

To view the RSA Annual Summary, published today, see www.scottishbusinessgrants.gov.uk

RSA is the Scottish Government’s main national scheme of financial assistance to industry. It is aimed at encouraging investment and job creation in the Assisted Areas (AAs) of Scotland. It also encompasses support available to Small Medium-sized Enterprises in other areas (referred to as Tier 3). Recent changes to Tier 3 assistance mean that small businesses can now qualify, subject to meeting scheme criteria, for up to 20 per cent (10 per cent for medium-sized companies) of eligible project costs. Tier 3 coverage has been extended to areas of Scotland which had not previously been eligible for RSA support.

Payments of RSA are made in instalments, typically over several years, provided that job and project expenditure targets are met. The amounts quoted here and in the report represent the maximum grant potentially available if the project is satisfactorily completed, and not the amount actually paid to date. All job numbers are based on firms’ forecast figures at the time a grant is offered and are subject to change, depending on future economic conditions and other factors affecting the business concerned.

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