

**Cabinet**

**16 November 2022**

**Finance Durham – the First Five Years**

**Ordinary Decision**



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## **Report of Corporate Management Team**

**Amy Harhoff, Corporate Director of Regeneration, Economy and Growth**

**Councillor James Rowlandson, Cabinet Portfolio Holder for Resources, Investments and Assets**

**Councillor Richard Bell, Cabinet Portfolio Holder for Finance**

### **Electoral division(s) affected:**

Countywide

### **Purpose of the Report**

- 1 To provide an overview and update on the performance of the Council's Finance Durham Fund in its first five years of operation, and to look forward to its next phase following the re-procurement of the Fund Manager, which has recently been completed.

### **Executive Summary**

- 2 Cabinet approved the investment of up to £20 million into Finance Durham on 15 June 2016. The purpose of the Finance Durham Fund is to make equity and loan investments in county-based businesses to aid business growth and/or attract businesses to locate and create jobs in the county.
- 3 The Fund structure is a standard and well recognised venture capital approach of a limited partnership with a fund manager acting as a general partner. Procurement of an FCA-regulated fund manager took place in 2016, resulting in Maven Capital Partners UK LLP being appointed as Fund Manager, and Finance Durham became operational in May 2017.
- 4 Finance Durham was set up as an evergreen fund meaning that returns on investments through loan repayments, interest, and capital growth

from equity investments would be re-invested to support further businesses to grow; in other words, surpluses and investment advances repaid are recycled to re-invest. Any gains or losses would be contained within Finance Durham with an expectation that after 10 years there would be a marginal return to the Council.

- 5 Maven, as Fund Manager, is authorised to make investment decisions consistent with the parameters of the Fund set out in the Cabinet report of June 2016, with decisions being made by Maven's experienced Investment Committee.
- 6 In addition, a key responsibility of the fund manager is to provide an 'access to finance' business support offer in the county, delivering support to businesses to increase the capabilities and skills needed to raise and use finance beyond the remit of the Finance Durham fund.
- 7 At the end of the first five years of the Finance Durham Fund there had been 33 investments made totalling £10.2 million, into 21 companies. Income generated of £768k has been re-invested.
- 8 The £10.2 million invested has levered in an additional £32.3 million of investment, supporting the creation of 224 jobs and safeguarding of 790 jobs with a GVA impact of £29.7 million.
- 9 Maven Capital Partners UK LLP's contract was to manage the fund for the first five years; therefore a re-procurement exercise has recently been undertaken to procure an appropriate fund manager for the next five-year phase of the fund. The process for assessing the bids involved independent technical support and the outcome is that Maven Capital Partners UK LLP has been reappointed; its bid was strong in all areas and though there were aspects of each of the other bids that were interesting and innovative none had the all-round strength of the Maven bid. This success reflected its strong performance in delivering the first five years of Finance Durham.
- 10 The reappointment of Maven as deliverer of Finance Durham brings a degree of certainty to the fund for the next phase and an opportunity to build upon the experience of the first five years. Relationships are firmly in place between Maven's operational staff and staff within the Council's Business Durham service, as well as with businesses and intermediary organisations in the region. Nonetheless there are challenges and opportunities ahead that will have an impact on the way the fund will be run and potentially on its performance.
- 11 The first five years of the fund were successful, and it did well to weather the economic shocks of Brexit and Covid. The pipeline of enquiries at the end of the first five years is strong and in the first two quarters of 2022-23 a further £1.29 million has been invested into five

companies, with further deals totalling £1.4 million investment into three companies currently under consideration.

- 12 Maven has recently completed the first successful exit from the Finance Durham portfolio, which has made a return of £1 million to the Fund, on top of the £900k invested. Intelligence Fusion, which provides intelligence data to global security businesses, was bought by US owned Sigma 7 group and is well placed for expansion in Durham as a result. The realisation of the first equity investment together with a number of the loan investments being repaid shows that the evergreen fund model is working.
- 13 Finance Durham plays an important role in developing the County's economy by investing in sectors and technologies that are at the forefront of change or add to Durham's capabilities to lever more investment. Examples include the investment in Power Roll Ltd which has developed a low cost, low weight solar film which harnesses the power of the sun; Hotel Indigo which adds to the high-quality visitor accommodation offer in the city; and Growth Capital Ventures which provides expertise in the Fintech and Digital sectors. Finance Durham is therefore identified in the draft Inclusive Economic Strategy as a key project for these reasons.

## **Recommendation**

- 14 Cabinet is recommended to:
  - a) note the update on the Council's Finance Durham Fund investments;
  - b) note the re-procurement of Maven Capital Partners UK LLP as Finance Durham Fund Manager for the next 5 years.

## Background

- 15 Cabinet approved the investment of up to £20 million into Finance Durham on 15 June 2016. The purpose of the Finance Durham Fund is to make equity and loan investments in county-based businesses to aid business growth and/or attract businesses to locate and create jobs in the county.
- 16 The Fund structure is a standard and well recognised venture capital approach of a limited partnership with a fund manager acting as a general partner. Procurement of an FCA-regulated fund manager took place in 2016, resulting in Maven Capital Partners UK LLP being appointed as Fund Manager, and Finance Durham became operational in May 2017.
- 17 Finance Durham was set up as an evergreen fund meaning that returns on investments through loan repayments, interest, and capital growth from equity investments would be re-invested to support further businesses to grow; in other words, surpluses and investment advances repaid are recycled to re-invest. Any gains or losses would be contained within Finance Durham with an expectation that after 10 years there would be a marginal return to the Council.
- 18 Maven, as Fund Manager, is authorised to make investment decisions consistent with the parameters of the Fund set out in the Cabinet report of June 2016, with decisions being made by Maven's experienced Investment Committee.
- 19 In addition, a key responsibility of the fund manager was to provide an 'access to finance' business support offer in the county, delivering support to businesses to increase the capabilities and skills needed to raise and use finance beyond the remit of the Finance Durham Fund.
- 20 Maven's fees in the first five years were paid for from capital but over time as investments are realised, its fees will be paid from surpluses in the Fund.
- 21 The creation of Finance Durham reflected the desire of the Council to support businesses to grow and create wealth in a manner that allowed its initial investment to be reinvested over the longer term through a recycling process in comparison with grant support which is obviously finite. It also provided a structure which allowed the Council to invest in businesses via a managed process; two equity investments in significant businesses in the County had previously been made that showed the opportunity but which had been administratively burdensome.

- 22 Finance Durham investments in companies must therefore fulfil two requirements: to provide wider economic benefits - these may be to support a growing or strategically important sector, create high skill jobs, be at a significant location and so on; whilst generating a financial return. The balancing of these, sometimes competing, objectives is at the heart of the more difficult investment decisions and may become more pronounced as the fund matures and the need to realise equity investments heightens.
- 23 The financial modelling undertaken by the Council in establishing the fund (with viability assessed by a competent external third party) was, in some respects, done on a worst-case scenario with 45% of sums invested in the first 10 years projected to be written off. Capital growth, in the main, was forecast to offset this and, after fees, lead to a net increase in funds. Forecast outputs for the first 10 years were on the optimistic side with between 40 to 70 investees generating 1,250 new jobs and 750 safeguarded.
- 24 Finance Durham was designed to complement and lever in private sector investment, including from the ERDF and European Investment Bank backed North East Fund, and thereby make a difference to the overall level of business investment in the County. The plan was also to support aspiring businesses to be investor ready through a mix of one-to-one support and workshops.

## **Fund Performance**

- 25 At the end of the first five years of the Finance Durham Fund, there had been 33 investments made, totalling £10.2 million, into 21 companies. Income of £768k generated through investments to date has been re-invested.
- 26 The £10.2 million invested has levered in an additional £32.3 million of investment, supporting the creation of 224 jobs and safeguarding of 790 jobs.
- 27 There have only been two failures to date out of the 21 companies that received investment during the first five years of the Fund. The value of the loss was £582k, which equates to 5.7% of the total invested, and is much lower than the original forecast failure rate of up to 45%. In relation to the first failure that happened in the early days of the Fund, Maven has taken steps to recover some of the sums invested, and an internal review was carried out to ensure that due diligence procedures were robust, particularly where an investment is being considered for a company re-locating into County Durham.
- 28 A strong pipeline of approximately £3 million of investment in seven businesses existed at the end of the first five years.

- 29 Analysis of the investment made by sector shows that £4.9 million has been invested in 10 companies that are hi-tech, usually at an early stage, pre manufacturing or service nature; £3.6 million has been invested in 5 manufacturing companies; and the remaining £1.7 million has been invested in a range of other sectors including food and drink, renewable energy and tourism.
- 30 It is worth noting that established manufacturing businesses usually require loans which generate relatively large advances and are less risky but do not give potential for capital growth. They are valid investments in that they help to balance the portfolio and they represent the current strength of the County's economy. Equity type investments tend to be in developing sectors of the economy, often hi-tech businesses at an early stage of revenue creation so provide potential for capital growth and diversification of the economy into value adding sectors.
- 31 From a geographical point of view there was a spread of beneficiaries, though concentrated on established business parks across the County. Distribution was as follows:

Location	Number of companies receiving investment	Value (£m)
Durham City	6	3.8
Consett / Tanfield / Annfield Plain	5	2.9
Newton Aycliffe	2	1.5
NETPark & Sedgfield	4	1.0
East Durham	3	1.0
<b>Total</b>	<b>20<sup>1</sup></b>	<b>10.2</b>

- 32 By year, investment approved was as follows:

Year	No. of new investments	Value (£m)	No. of follow-on investments	Value (£m)
2017-18	6	1.14	0	0
2018-19	4	2.15	1	0.07
2019-20	0	0	5	1.30
2020-21	5	1.18	2	0.28
2021-22	6	2.68	4	1.38
<b>Total</b>	<b>21</b>	<b>7.15</b>	<b>12</b>	<b>3.03</b>

- 33 This performance reflects the fact that in the early years there was no existing pipeline of investees and Finance Durham had to establish itself. As the Fund became established investment was boosted by the potential for follow on investment in businesses that had hit milestones and needed more investment to grow. The middle years were

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<sup>1</sup> N.B. One company failed before relocating, so has not been included in this table.

characterised by the economic shocks of Brexit and Covid – in year three there were no new investments. In the final year, Finance Durham benefitted from more economic stability and certainty: whatever the view of Brexit, its terms were a fact that businesses could react to and there was pent-up demand released when the Covid situation improved.

- 34 Finance Durham plays an important part in the package of support that Business Durham is able to provide to support business growth and attract companies to locate in County Durham. For example, six companies receiving investment to expand were also supported through grant from the County Durham Growth Fund (29%) and eight were inward investors (38%). Maven also provides investment readiness advice to entrepreneurs participating in the Durham City Incubator programme and has recently begun to offer loans to business on the programme with four taking up this support to date.
- 35 In order to fulfil the requirement to provide an ‘access to finance’ business support offer in the county, Maven held 1-2-1 meetings with over 350 businesses in the first 5 years of the Fund, in business locations across the County as well as online. In total this delivered over 500 hours of business support to County Durham based businesses. Examples of outcomes from the support include:
- advising a mature manufacturing County Durham based business on its growth plans to exploit market advantage and the best type of finance available;
  - supporting a director of a new specialist manufacturing company to decide on the best source of debt finance available to the business at that time;
  - assisting a Durham University spin out to receive seed investment from another investor;
  - signposting an early-stage hospitality company to a more appropriate finance provider who then funded the business;
  - introducing an attendee to a regional accelerator programme (DCI), which then enrolled on the scheme.
- 36 Portfolio health was good at the end of the first five year term with a number of high growth investments whose valuations (as measured at later investment rounds) mean that equity investments are conservatively valued at £2 million higher than when originally invested, and only two failures, one very early in the life of Finance Durham (£120k investment) and one after the end of the first term (£476k

investment) to set against this. Companies with loans are repaying mainly on schedule with some case-by-case changes in terms during covid as cash flows were sometimes affected.

37 The latest figures provided by Maven Capital Partners showing the impact of the Fund are as follows:

- £34.4 million of Private Sector Leverage;
- 224 Jobs created;
- 790 Jobs safeguarded;
- 1,014 Jobs created plus safeguarded;
- £29.7 million GVA impact.

38 The types of jobs created and safeguarded reflect the variety of investments made by the Fund; jobs can be in the spectrum of roles within an established manufacturer (from administration, marketing, production planning, finance, production operatives, warehousing etc) or scientific, technical, marketing and sales within a hi-tech or digital company moving from an R&D phase to commercialisation. Jobs therefore reflect the economy of the County, though with an emphasis on value-adding sectors.

### **Fund Manager Re-Procurement**

39 A full re-procurement exercise has been undertaken to select an FCA-authorized Fund Manager to take forward the next 5-year phase of the Fund, building upon success to date.

40 The process for setting up the procurement exercise was supported by independent technical advice, given the highly specialised technical nature of investment fund management, and to ensure the Council was able to frame the specification to meet its specific and wider requirements for the Finance Durham Fund. This work began by assessing the performance of Maven as the current Fund Manager, and the conclusion reached was that the Fund was well run, integrated well with Business Durham and had weathered the economic shocks of Brexit and Covid well when compared against other public sector financed loan and equity funds.

41 There were five bidders at the initial SQ stage and four were invited to submit detailed plans and costings setting out their plans for delivery through an ITT process. Bids were assessed on three factors:

- their plans to deliver: how they would look to promote the scheme to drive enquiries, how they would assess and determine whether



to invest, how they would manage the existing portfolio and how they would deliver broad advice and support on accessing finance;

- the social value they would generate; and
- price, i.e. fees charged for portfolio management, investment of the remaining capital and delivery of an access to finance business support programme.

42 The process for assessing the bids involved independent technical support and the outcome was that Maven Capital Partners UK LLP has been reappointed; its bid was strong in all areas and though there were aspects of each of the other bids that were interesting and innovative none had the all-round strength of the Maven bid. This success reflected its strong performance, especially in the second half of the contract.

43 As Maven is already in place, there has been no need for a handover or bedding in period, providing seamless continuation of delivery. In the first two quarters of 2022-23 a further £1.29 million has been invested in five companies, with potential additional investment of £1.4 million into two companies expected in Quarter 3 of 2022-23.

44 In Quarter 2 of 2022-23 there has been the first realisation of one of the equity investments made through the Fund. Intelligence Fusion, which provides intelligence data to global security businesses, was bought by US owned Sigma 7 group and is well placed for expansion in Durham as a result. This made a significant return of £1 million for the Finance Durham Fund on top of the £900k invested and has more than offset the value of the two losses, one of which was in the first year of the Fund (£120k) and one more recently (£462k).

## Looking ahead

45 The reappointment of Maven as Fund Manager for Finance Durham brings a degree of certainty to the Fund. Relationships are firmly in place between Maven operational staff and staff within the Council's Business Durham and Finance services, as well as with businesses and intermediary organisations in the region. Nonetheless there are challenges and opportunities ahead that will have an impact on the way the Fund will be run and potentially on its performance.

46 Firstly, the economy is in a much more uncertain position than looked the case as it moved into a post Covid recovery in 2021. Problems with various supply chains in 2021 (lack of semi-conductor chips impacting on car production is a high-profile example) adding inflationary pressure have been massively added to in 2022 by the war in Ukraine and resultant steeping rises in energy, steel and commodity prices. Inflation is currently at a level not seen for many decades and a pessimistic view

would forecast sustained interest rate increases, depressed demand and high inflation reducing business investment and thus demand for funding from Finance Durham. In such a situation the existing portfolio might also suffer with failure of individual businesses and slower and lower returns from equity investments.

- 47 The end of EU funding for various business support programmes will either reduce opportunities or make finding them more difficult; the end of the County Durham Growth Fund and changes to the North East Fund are obvious examples. It is generally expected that the quantum of government support for businesses and economic development will be lower from the UK Shared Prosperity Fund and how it can be bid for and be delivered is also less certain than the systems set up for EU funding - whatever its deficiencies.
- 48 To take a more positive view of the challenges that the Fund may face, demand for Finance Durham has been very strong in recent years and the current pipeline of projects being worked up for investment shows no immediate sign of narrowing. As an evergreen fund the repayment of existing loans with interest as well as further equity investments being realised will enable the Fund to continue to make new investments to support business growth in the County without the need for significant further investment by the Council. Maven, with support from Business Durham and Finance colleagues, will need to find an appropriate balance between holding out for the best return and recycling funds to reinvest while not causing a funding problem for the investee. It is an issue that Maven recognises and understands.
- 49 A further opportunity has potentially been created by the Council's agreement, as per recent government policy, to provide LGPS funds to increase local investment. The Durham County Council Pension Fund has provided cornerstone funding of £18 million which has been augmented by the Teesside Pension Fund (with more Northern Local Authority Pension Funds expected) to create a fund delivered on an arms-length basis by Foresight, a Private Equity Fund provider. Finance Durham has the potential to be a pipeline for this fund which will be seeking larger investments than Finance Durham can provide as follow on, in businesses whose business models provide more measured growth and less risk due to their maturity and progression along the growth curve. Foresight will be launching the fund in the early autumn and Business Durham will be looking to introduce Maven to it to explore synergies between the two funds.
- 50 Finance Durham plays an important role in developing the County's economy by investing in sectors and technologies that are at the forefront of change or add to Durham's capabilities to lever more investment. Examples include the investment in Power Roll Ltd which

has developed a low cost, low weight solar film which harnesses the power of the sun; Hotel Indigo which adds to the high-quality visitor accommodation offer in the city; and Growth Capital Ventures which provides expertise in the Fintech and Digital sectors. Finance Durham is therefore identified in the draft Inclusive Economic Strategy as a key project for these reasons.

## **Conclusions**

- 51 The first five years of the Finance Durham Fund were successful, and it did well to weather the economic shocks of Brexit and Covid. The Fund has injected over £10 million to support business growth in the County and leveraged an additional £32.3 million of investment into the County.
- 52 A proven Fund Manager has been appointed to manage the next five-year phase of the Fund and there is a strong pipeline of potential investments. The Fund Manager will need to respond to changing economic conditions, whilst also managing the funds available to provide financial returns consistent with Finance Durham's evergreen status and provide wider economic benefits to the County.

## **Other useful documents**

- Cabinet (June 2016) – Option to Create a Durham County Council Investment Fund – 'Finance Durham'

## **Author(s)**

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## **Appendix 1: Implications**

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### **Legal Implications**

The Finance Durham Fund is established as a limited partnership with a fund manager acting as a general partner. This structure is a standard and well recognised venture capital approach. DCC's Legal Team advised on the Procurement exercise recently completed.

### **Finance**

The Council has previously agreed to invest up to £20 million into the Finance Durham Fund, and the report provides an update on the investments made during the first five years of the Fund's operation, totalling £10.2 million. Capital to fund each the investment is drawn down on completion of each individual investment deal.

As an evergreen fund the repayment of existing loans with interest as well as further equity investments being realised will enable the Fund to continue to make new investments to support business growth in the County without the need for significant further investment by the Council, with the Council's investment into Finance Durham totalling circa £14.25 million at this stage.

### **Consultation**

None.

### **Equality and Diversity / Public Sector Equality Duty**

None.

### **Climate Change**

Finance Durham provides an opportunity to support businesses in the green economy sector that are developing innovative technology and products to help address the impact of climate change.

### **Human Rights**

None.

### **Crime and Disorder**

None.

### **Staffing**

None.

## **Accommodation**

None.

## **Risk**

Each investment into a business carries risks which are assessed through the investment decision-making process, with robust due diligence being carried out by the Fund Manager, Maven. As an evergreen fund, gains and losses are contained within Finance Durham.

## **Procurement**

Procurement of an FCA-regulated fund manager took place in 2016, resulting in Maven Capital Partners UK LLP being contracted as Fund Manager for three-year contract with the option for two one-year extensions, which have been exercised. A tender process for the re-procurement of the Fund Manager contract has recently been completed resulting in Maven Capital Partners UK LLP being appointed. The contract duration is 5 years with possible extensions of 2+2+1 years.

## Appendix 2: Finance Durham Investments (First 5 Years: 2017/18 to 2021/22)

Company Name	Sector	Location	Date of Investment
Durham Distillery Ltd	Food & Drink	Durham	2017 / 2021
Moralbox Ltd	Technology	Seaham	2017
SDS Inc Ltd	Renewable Energy	Consett	2018
Intelligence Fusion	Technology	Durham	2018 / 2019 / 2020 / 2021
Honcho Markets Ltd*	Technology	Durham*	2018 / 2019 / 2020
Muss Media Ltd*	Automotive	N/A*	2018
Oak Engage (formerly Orchidsoft Ltd)	Technology	Durham	2018 / 2019
Parsons Group Ltd	Container Storage	Sedgefield	2018
G20 Water Technology	Science / R&D	NETPark	2018
Dyer Engineering	Engineering	Annfield Plain	2018 / 2020
Growth Capital Ventures	Business Service / Technology	Aycliffe	2020 / 2021
Plexus Innovation	Technology	Tanfield Lea	2020 / 2022
Power Roll Ltd	R&D / Manufacturing	Murton (Jade)	2020 / 2021
Hotel Indigo (Maven Capital SHD Trading Ltd)	Tourism	Durham	2020
Evince Technology Ltd	R&D / Manufacturing	NETPark	2021
Project Control Tools Ltd	Technology	Wingate	2021
Furniture Clinic Ltd	Manufacturing	Consett	2021
Conduit Construction Network Ltd	Manufacturing	Belmont	2022
Roman Ltd	Manufacturing	Aycliffe	2022
Shine Interview Ltd	Technology	Annfield Plain	2022
Applied Monitoring Ltd	R&D / Life Sciences	NETPark	2022

\*Company went into liquidation

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## **Appendix 3: Finance Durham Case Study Examples**

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### **Plexus Innovation**

Plexus Innovation is a remote technology company, based in Tanfield Lea, which is using the support from Finance Durham to help it expand into new markets.

Plexus Innovation's GUARDIAN® technology remotely monitors and measures temperature, CO2, humidity and water systems, enabling insight-driven decisions, reduction of energy use and provision of real-time data for use in compliance reporting. The system also provides automated alerts to highlight potential health risks or failing assets that otherwise may be overlooked.

GUARDIAN® is being used by clients in sectors such as social housing, education, health and care, with clients including Believe Housing, North Star Housing Group and Careline Lifestyles. The Finance Durham investment is enabling the company to accelerate product development and boost market penetration in other sectors including manufacturing, leisure and hospitality.

### **Parsons Containers Limited**

The Finance Durham Fund supported Parsons Containers Limited's growth plans, enhancing its digital presence and helping the business to open four new sites for its self-storage brand, 'U Hold the Key'.

A long-established supplier of shipping containers for all applications by sale and hire throughout the UK, Parsons has a growing reputation in industry. It was established in 2000 in Sedgefield, by Ean Parsons, who sought to capitalise on his extensive experience in the container business in supplying containers for shipping, freight, storage and accommodation. The company is one of the UK's largest multi-discipline shipping container businesses, operating on multiple sites, including a strong presence in the north east. Under the "Parsons Containers" and "ContainerContainer" brands, the company supplies shipping containers to industries for shipping and freight and for applications including accommodation and storage. These include the self-storage industry, construction, offshore, local government, schools and catering.

Parsons' "U Hold the Key" brand, one of the earliest container self-storage businesses in the UK, supplies container self-storage services for domestic and commercial use to small businesses and customers requiring flexible storage. With nine UK sites using over 1,000 stores, U Hold the Key has innovated to ensure the systems of the business are local, inexpensive, easy to use and secure.

## **Roman Ltd**

Roman Ltd is the UK's largest shower manufacturing plant, based in Newton Aycliffe, that manufactures, sells and installs shower screens, trays, bathroom furniture and fixtures and fittings. It used the Finance Durham investment to support a significant increase in demand, purchasing new machinery and materials for its 400,000 sq ft manufacturing plant in order to supply its growing number of customers.

Roman designs and manufactures shower products to trade merchants and independent retailers, whilst supplying white labelled own branded products to national retailers. The business also has a special projects and supply and fit service that provides bespoke bathroom and shower design, alongside supply and fit solutions to house builders and hotel groups both domestically and internationally.

Providing showering solutions for over 37 years, Roman is the UK and Europe's largest shower manufacturer with a strong presence in over 70 International markets. It supports an impressive range of international hotel groups, architects and designers, including Berkeley Homes, Taylor Wimpey, Keepmoat, Miller, IHG hotels and Hilton.

The home furnishing market is large and mature with the UK the second largest market in Europe. Demand increased during the Covid pandemic and is forecast to continue to grow with opportunities existing within both the online channel retailers, and traditional retailers and merchants.

## **Intelligence Fusion**

Intelligence Fusion, based in Durham City, provides software products, consultancy, and training to help companies understand global threats to enable them to make better informed decisions. The company combines data and analysis to enable customers to detect and respond to incidents to mitigate against threats and protect their people, assets and operations worldwide.

With investment from the Finance Durham Fund, Intelligence Fusion successfully developed and launched its intelligence data feed platform and has continued its growth in the expanding global intelligence market. There is a significant commercial opportunity for military grade human intelligence particularly at a time of global uncertainty, with security situations and various incidents worldwide all driving the growth of the global threat intelligence market.

Backed by a team of specialist experts with on-the-ground experience of situational threat awareness, Intelligence Fusion was founded by CEO, Michael McCabe following his experience in security intelligence with the British Army and in the private security industry. The team is made up of 17 different nationalities with over 30 years' experience in intelligence and risk monitoring.



## **Conduit Construction Network Limited (CCN)**

CCN manufactures high-quality door sets and screens for the commercial, education and healthcare sectors. The business has increasingly focused on whole door sets due to the preference of its client base, as whilst they are harder to manufacture, they are quicker to install and as such help clients in timely project delivery. Its ISO and fire safety accreditations have allowed them to build a reputation based on two tenets of quality products and timely, reliable delivery.

The Finance Durham Fund investment supported CCN to substantially scale-up its operations and relocate to a new 54,500 sq ft facility in Belmont Industrial Estate. This move has added significant capacity and brings operational benefits with a plan to increase production and sales significantly. Alongside relocation, the funding package from Finance Durham is being used to fit out the new factory on the Belmont Industrial Estate and purchase new machinery.

The investment will also enable the business to expand its already developed product range and increase the speed and efficiency of manufacture resulting in shortened lead times, whilst improving quality and further enhancing product scope. Longer term CCN is also planning to set up an in-house manufacturing Training Centre to develop its existing and future workforce in a live environment.

## **Power Roll**

Power Roll has developed a unique, flexible, lightweight solar film capable of producing ultra-low-cost green electricity that is up to 10 times cheaper to make than existing flexible solar photovoltaic (PV) technologies. The film is suitable for non-load-bearing rooftops, building integration, transport, portable applications, off-grid projects and IoT sensors, and can also be used for energy storage and to manufacture capacitors.

Investment from the Finance Durham Fund has enabled the company to open a new manufacturing facility at Jade Business Park in Murton, to construct a solar film pilot plant, and to embark on a programme of growth to support its growing list of UK and international customers.