

7. MICROBUSINESS GRANT SCHEME

REPORT OF: Programme Manager, Burgess Hill Growth Area
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Wards Affected: All
Key Decision No

Purpose of the report

1. The purpose of this report is to present seven microbusiness grant applications for consideration by the Cabinet Grants Panel.

Summary

2. A summary of the applications to be considered and the recommendations from the Grants Assessment Group on the level of financial assistance to be awarded to each organisation are detailed as follows:

Organisation	Purpose for which award is sought	Award Requested	Award Suggested
Aureo Group	Website design and build	£2000	£2000
Veterinary insights	Recruitment costs of marketing manager	£2000	£2000
Adams Garden Machinery	Apprentice	£1500	£1500
Words Guy	New Magazine	£2000	£2000
THR consulting	Website design and build	£959	£959
Sussex Uniforms	Website design & apprentice	£3500	£3500
Harmony at Home	Customer service equipment	£2000	£2000
Total		£13,959	£13,959

NB – the suggested award is based in the assumption that due diligence checks have been satisfactorily passed. Given time constraints over the Christmas period, this will be confirmed, or otherwise, at the Cabinet Grants Panel meeting.

Recommendations

Members of the Panel are requested to

- a) consider and decide upon the recommendations for each of the above applications, summaries of which are attached in Appendix A of this report.***

Background

3. This is the first meeting of the Cabinet Grants Panel to consider the new microbusiness grant scheme. This is a County-wide scheme utilising the West Sussex business rates pool, with £500,000 to be split equally between the Districts. Grants of up to £2000 are to be made to assist micro-businesses (firms with less than 10 employees) with projects that will help them grow or up to £1500 to a firm taking on an apprentice. The scheme was agreed by all West Sussex Local Authorities with the focus on business growth and supporting Apprenticeships with the funds needing to be awarded by end September 2017.

4. Applications for the grants have been assessed using the following criteria (as set out in the guidance note accompanying the application form) –
 - Delivering wider outreach
 - Assisting with the delivery of new business lines
 - Enabling more employees to be taken on
 - Delivering community benefit

Assessment and Policy Context

5. The microbusiness grant scheme, by its very nature, is aimed at small organisations which are likely to be resource constrained. In light of this, the application form and assessment process have been deliberately streamlined to encourage relevant businesses to apply, whilst still requiring sufficient information to enable the Council to make informed and robust decisions.
6. The applications received have been considered by Council Officers Rachel Ryan-Crisp and Gordon Reay. A summary of the assessment of each application is included within the individual project reports in Appendix A
7. All organisations have met the basic criteria and specific grant criteria, i.e. are properly constituted micro-businesses and have provided the relevant information to support their application. As noted above, a verbal confirmation of the due diligence checks will be provided verbally at the Cabinet Grants Panel.

Financial Implications

8. The microbusiness grants are funded through an allocation from the WSCC business rates pool, with £500,000 to be divided equally between districts. Initially District Councils were informed this would equate to an award of £83,000 (the figure used in all our publicity), Adur & Worthing subsequently decided they wished to be considered as two separate Councils for the purposes of this award and so the allocation reduced to £71,428. This has not been communicated externally to date – if the programme is successful with all monies being allocated, members of the Cabinet Grant Panel may wish to assess whether the fund might be topped up to the original £83,000. Further advice will be provided when the programme is more established.
9. The current fund stands at:

Scheme	Fund as at 9 Jan 2017	Funds approved	Funds requested	Balance
Microbusiness grant	£71,248	£0	£13,959	£55,469

Risk Management Implications

10. The main associated risk to the successful implementation of the decisions arising from this report is the inability of the funded organisations to carry out the services, activities or equipment purchase for which funding had been awarded.
11. To minimise this risk we have requested that recipient businesses provide proof of purchase of equipment or employment of the apprentice. We consider this a proportionate approach given the relatively small sums involved in this grant programme.

Equality implications

12. As part of the due diligence process all of the organisations for this funding from the Council have been assessed to be in compliance with the requisite policies/legislation.

Legal Implications

13. The Council is not obliged to provide grant funding, but by virtue of section 1 of the Localism Act 2011, it is able to do anything which it considers is likely to achieve the promotion of the economic, social or environmental wellbeing of its area. This includes the incurring of expenditure, giving financial assistance to any person (or organisation) and entering into arrangements or agreements with any person.

Background Papers

14. Grant applications and associated documentation for the Microbusiness Grants are held in the Burgess Hill Programme Management team.