

## MICROBUSINESS GRANT SCHEME

**REPORT OF:** Economic Development Officer  
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**Wards Affected:** All

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### Purpose of the report

1. The purpose of this report is to present 3 micro business grant applications for consideration by the Cabinet Grants Panel.

### Summary

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

Organisation	Location	Purpose for which award is sought	Award Requested	Award Suggested
Albion Business Computers	Burgess Hill	Apprentice	£1,500	£1,500
Owen Garages Ltd	Haywards Heath	Apprentice	£1,500	£1,500
Zona Football Ltd	Haywards Heath	Apprentice	£1,500	£1,500
<b>Total</b>			<b>£4,500</b>	<b>£4,500</b>

### Recommendations

*Members of the Panel are requested to*

- a) *Consider and agree the funding request 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 2020/21 Micro Business Grant Scheme. This is a County-wide scheme funded through the West Sussex Local Enterprise and Apprenticeship Platform (LEAP), which in turn is funded from retained business rates. A total of £500,000 has been allocated to the Districts and Boroughs within West Sussex, with £71,428.57 allocated to Mid Sussex District Council (MSDC). Grants of up to £2,000 are available to assist micro businesses with projects that will help them grow or up to £1,500 to help with the costs of taking on an apprentice.
4. The scheme is now in its third successful year, with £71,068.77 awarded to 44 micro businesses in 2019/20, attracting over £110,000 in match funding.
5. This year officers have implemented a system for return applications, as agreed in a report to the Panel in August 2020, whereby businesses who have received a grant for two consecutive years must ensure a 'gap year' before being eligible again. Applicants have also been scored as per the scoring matrix noted in appendix B.

- The launch of the scheme this year was delayed County wide as a result of Covid-19. It was launched on 30<sup>th</sup> October 2020 with a closing date of 30<sup>th</sup> November 2020. Due to the delays in the launch it has been agreed County wide that the deadline for expenditure is 31<sup>st</sup> March 2021.

This year has seen a substantial increase in the number of applications received for the Micro Business Grant Scheme with 64 submissions. Due to the high demand for the scheme, the need to expedite the Covid-19 Recovery Grant Scheme, and the need to undertake all due diligence checks, the assessment of the Micro Business Grants has been phased with applications for apprenticeship funding taken first. Further Micro Business Grants applications will be reported at the next meeting of the Cabinet Grants Panel.

### Assessment and Policy Context

- The applications received have been assessed using an agreed matrix. A summary of the assessment of each application is included within the individual project reports in Appendix A.
- All of the bids included in the paper have met the basic eligibility criteria for the grant scheme. All are properly constituted businesses with fewer than 10 employees and are located in the District.

### Financial Implications

- The micro business grants are funded through an allocation from the WSCC LEAP business rates pool, with £500,000 to be allocated between districts.
- The current fund stands at:

Scheme	Fund as at 14 12 2020	Funds approved so far	Funds requested in this paper	Balance (if all bids in this paper are approved)
Micro Business Grant Scheme	£71,428.57	£0	£4,500	£66,928.57

### Risk Management Implications

- 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.
- To minimise risk to the fund the decision was taken in 2017/18 to pay grants in arrears on receipt of invoices or other evidence. This approach differs from practice in some other parts of the County where payments are made to businesses as soon as the bid is approved. The payment-on-invoice approach is one key means on reducing risk to the fund and ensuring that grant payments do support the delivery of genuine growth or the recruitment of an apprentice. For apprenticeship grants this approach requires the business to provide evidence that the apprentice noted in the application has formally started before funding is released.

## **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 Micro Business Grant Scheme are held in the Economic Development Team.