

Start up Small Business Grants Year 2018-19 Report

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Purpose

The purpose of this report is to review the impact and performance of the Small Business Grant Scheme after its second year of operation – April 2018 to March 2019. The report will be used to identify trends and take up of the grants, allowing the Economic Development and Regeneration service to make changes to the scheme where appropriate, and plan for future service delivery.

Recommendations

- That the key performance indicators are noted.
- That the report is produced on annual basis with a final 3 year summary and full evaluation taken to Cabinet at the end of the current funding cycle – April 2020.
- That consideration is given to developing further grants programmes specifically for Town Centre businesses.

Performance

Annual Budget for Small Business Grants: £20,000.00

<u>2017/18</u>	Value of Apps Received	Value of Grants Awarded	Value of Grants Paid	No. of apps received	No. of apps approved	No. of apps paid
Quarter 1	£3,530.92	£2,930.92	£1,930.50	4	3	2
Quarter 2	£8,913.47	£6,983.47	£6,801.10	8	7	7
Quarter 3	£11,500.00	£6,010.00	£5,119.92	8	6	5
Quarter 4	£9,802.00	£5,256.00	£4,106.00	7	6	5
TOTAL	£33,746.39	£21,180.39	£17957.52	27	22	19

Of the £21,180.39 grant that was awarded in the 2017/18 financial year £2,822.87 was rolled back into the budget as either the grant was withdrawn as terms & conditions were not met or applicants had underspent due to cost changes from their original application.

The annual grants budget is £20,000.00 minus £17957.52 which is the value of grants paid in 2017/18; this leaves £2,042.48 remaining which was then able to be rolled into the 2018/19 grant award budget.

Available Budget for Small Business Grants 2018/19: £22,042.48

<u>2018/19</u>	Value of Applications Received	Value of Grants Awarded	No. of Enquiries received*	No. of applications received	No. of applications approved
Quarter 1	£2,754.00	£1,087.00	4	2	2
Quarter 2	£16,480.00	£8,824.00	17	11	9
Quarter 3	£18,968.88	£6,501.00	24	14	10
Quarter 4	£11,643.96	£5,219.07	12	10	8
TOTAL	£49,846.84	£21,631.07	57	37	29

**98.1% of available grant was awarded
78.4% of applications received were awarded**

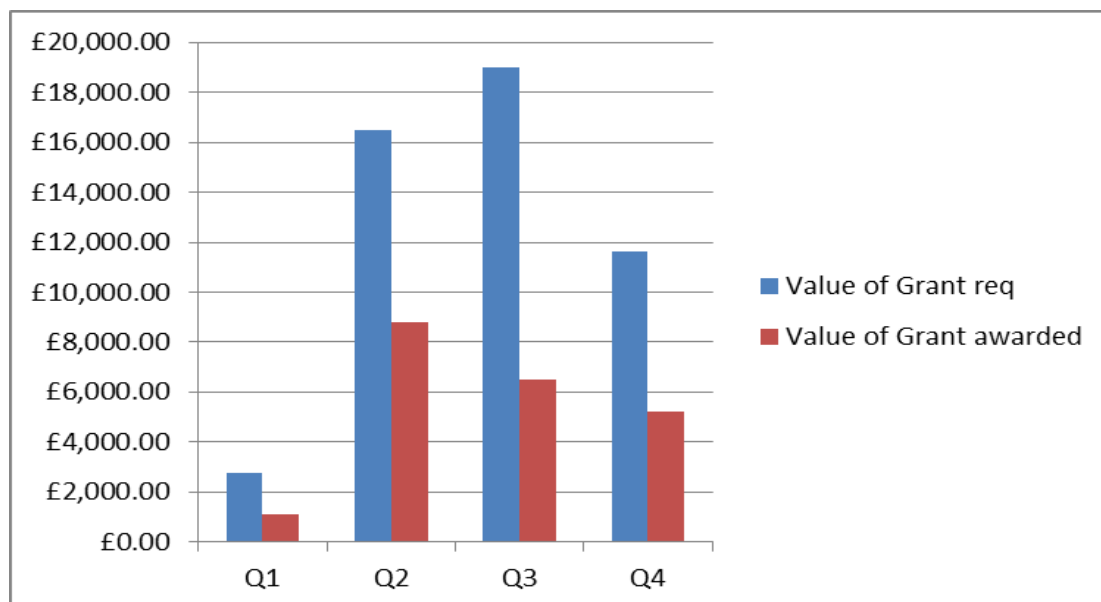


Table 1: Value of grant requested against Value of grant awarded

In Q2 there were 2 applications submitted that were not successful with a grant award, the 1st did not meet the evaluation criteria and the 2nd application was deferred as information was missing to allow a decision to be made.

In Q3 there was 3 applications submitted that were not successful with a grant award, the 1st did not meet the evaluation criteria and the other 2 were not business ventures for the Council to fund.

In Q4 there was 1 application submitted which was not successful with a grant award as it did not meet the evaluation criteria.

Demand

The value of applications received has exceeded expectations with £49,846.84 being requested. The annual budget of £20,000.00 plus £2,042.48 rolled over budget from 2017/18 equals a total budget of £22,042.48 meant that this could not be fully met.

The quarterly budget was set at £5,000.00 to ensure that the £20,000.00 budget was spread across the financial year; you will see from table 1 above that excluding Q1 each quarter averaged around double the amount of grant requested against the value of grant we could award as the majority of applicants did request the £1,500.00 maximum grant.

The evaluation process required tight decision making as the majority of applications could have easily been awarded the full grant amount and the approach taken was to give less money to more businesses rather than more money to fewer businesses.

A decision has been made to review the Evaluation forms and process for the 2019/20 financial year to allow a more detailed evaluation review to assist with the tight decision making which is required as the demand exceeds. The approach into 2019/20 will be to use the overall evaluation score to award the highest scorers the higher amount of grant.

There has been a very diverse range of business types that applied:

- Animal boarding business
- SME Social media management company
- Tutoring and consultancy business aimed at students in higher education and practicing managers & leaders
- Gift stop and gardening services
- Painter and decorator
- Training company
- Manufacturer of motorcycle engines
- Town centre
 - Café and tapas bar
 - Sandwich dele
 - Beautician
 - Eastern European café
- Mental health and physical wellbeing practitioner
- Audio production company
- Upcycled and reworked fashioner designer
- Ecommerce goods supplier
- Accountants
- Baby clothes fashion designer
- Activity day camp for children
- Professional kitchen cleaner
- Shower repair service

- Holistic therapist
- Free from baker
- Domestic cleaning company
- Personal assistant for SME's
- Pet payment holding service
- Craft business
- SME consultancy business to encourage collaborative working
- Social/emotional support service

Successes

The success of this grants programme has been linked greatly with the ERDF Enterprise for Success programme which Tamworth Borough Council funded with Solihull Council and other Local Authorities; Redditch, Bromsgrove, Wyre Forest, Cannock, East Staffs and Lichfield.

Businesses have been able to receive full guidance from a Business advisor through 6-12 hours of support via free to attend workshops, benefitting from a business plan aimed to encourage new business starts ups and to help young businesses grow and thrive.

Engaging with these businesses has helped to give a better understanding of this business demographic and helped to build relationships and ensure they are receiving the support that is currently available.

The grant scheme has also been successful in a recent award submission and was honoured "Highly Commended in the Best in Class – Small Business Friendly Awards 2019" at the FSB Staffordshire and West Midlands Area Local Authority Small Business Friendly Awards 2019 for our 2018/19 programme. This awards scheme was set up to recognise the work delivered by Local Authorities to assist small businesses.

Added Value

As mentioned above, this project has allowed the Council to identify and create relationships with individuals and micro businesses, something that in the past has been challenging, allowing the EDR service to signpost them to other support and opportunities that maximise the likelihood of these businesses surviving.

Indirectly it has also enhanced the reputation of the Council, which is now seen to be directly helping businesses.

A networking / business support event is planned to be held in September inviting all grant applicants from 2017/18 & 2018/19 Q1-Q4 to be held at the Tamworth Enterprise Centre, this will give the businesses a chance to network and share their experience as well as receive further support that is currently available through the Growth Hub.

Conclusions and summary

The Start Up Grants programme has been extremely successful, delivering nearly all of its committed budget in the two operational years it has been running. Whilst it is still early days patterns are starting to emerge. Town Centre businesses are continuing to use the scheme and we are seeing more requests for support. These businesses typically require more substantial investment and expenditure than the average start up.

The Economic Development Team will continue to monitor and assess applications, but feel consideration should be given to developing a specific Town Centre grants fund.

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