1.0 Purpose of Report
1.1 To seek approval for the allocation of funding for a continuation of the Small Business Grant Scheme for 2017-18.

2.0 Decisions Sought
2.1 To approve the allocation of £30,000 to be funded from the Council Taxpayers Reserve to the Small Business Grant Scheme.

3.0 Link to Corporate Priorities
3.1 The scheme supports the priority in the Council Plan of Enabling Growth.

4.0 Introduction & Background
4.1 In October 2013, the Small Business Grant Scheme allocated over £28,900 to 31 small local businesses, with the use of New Homes Bonus funds. The aim of the original scheme was to encourage businesses to invest in business improvements, with the aid of a grant, of up to £1,000. The scheme was open for applications to support up to 75% of total project costs and to be eligible for grant support, businesses had to be established with a base in the district and operate with four or less employees.

4.2 In June 2014, Corporate Board agreed to re-launch the scheme with a £60,000 investment from the Council’s Small Business Rate Relief allocation, to be available over a two-year period. The scheme opened for applications in both October 2014 and October 2015 and having supported 74 businesses across the two years, the final grant payments were made in March 2016.

4.3 The most recent scheme (2016-17), launched in October 2016 with £30,000 from the Council Taxpayers Reserve and has allocated the funds to 36 local businesses. The final draw down of funds will be claimed by the businesses by October 2017.

4.4 The Small Business Grant Scheme has been amended over time and in September 2014, Members amended the eligibility criteria so that new businesses were able to apply and previously successful businesses would be ineligible for further support. Members also capped the business’ reserves at £25,000 to restrict larger
businesses from accessing the scheme. The current eligibility criteria are attached at Appendix 1. It is suggested that Members consider an amendment to the eligibility criteria to allow a repeat application from a business if three years have elapsed since their last successful application.

4.5 To summarise, since the scheme launched in October 2014, a total of 182 applications have been received. The scheme has supported 142 applications of those received with grants to support; IT and computer purchases, business specific equipment, website support and various training courses. As of 18 April 2017, a total of £120,628 has been allocated towards total project costs of £251,590, generating almost £131K in match funding.

The following table details the allocations by Area Partnership location:

<table>
<thead>
<tr>
<th></th>
<th>2013-14</th>
<th>2014-15</th>
<th>2015-16</th>
<th>2016-17</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central</td>
<td>£18,132</td>
<td>£10,681</td>
<td>£11,350</td>
<td>£10,955</td>
<td>£51,118</td>
</tr>
<tr>
<td>Garrison</td>
<td>£2,675</td>
<td>£4,000</td>
<td>£4,216</td>
<td>£5,516</td>
<td>£16,407</td>
</tr>
<tr>
<td>Lower Wensleydale</td>
<td>£2,135</td>
<td>£3,460</td>
<td>£5,211</td>
<td>£4,324</td>
<td>£15,130</td>
</tr>
<tr>
<td>North Richmondshire</td>
<td>£0</td>
<td>£2,119</td>
<td>£1,550</td>
<td>£0</td>
<td>£3,669</td>
</tr>
<tr>
<td>Upper Dales</td>
<td>£6,000</td>
<td>£10,375</td>
<td>£7,685</td>
<td>£10,244</td>
<td>£34,304</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£28,942</strong></td>
<td><strong>£30,635</strong></td>
<td><strong>£30,012</strong></td>
<td><strong>£31,039</strong></td>
<td><strong>£120,628</strong></td>
</tr>
</tbody>
</table>

5.0 Recommendations

5.1 That Members approve the allocation of £30,000 to be funded from the Council Taxpayers Reserve for the 2017-18 Small Business Grant Scheme, for launch on 1 October 2017.

5.2 That Members remove the restriction applied in September 2014, to allow businesses who have previously accessed the scheme to re-apply, if their previous application was not within the last three years. This would restrict any business who has successfully applied since October 2014 from re-applying.

5.3 That Members approve the scheme using the same criteria as in previous years and as set out in Appendix 1, amending only point 5.2 above, if approved.

6.0 Corporate Implications

| Scrutiny Consultation | None. |
| Community Engagement  | None specifically for this report although businesses have been consulted in the past regarding the scheme. |
| Environment & Sustainability | None. |
| Financial Implications | There is currently no specific budget allocation for the Small Business Grant Scheme so any funds will have to be located from reserves. |
| Legal Implications    | There are no legal implications arising directly from this report. |
### Risk Implications
There are no significant risks associated with this scheme.

### Human Resource Implications
The administration of the scheme will be carried out by through existing staff resources within the Business & Community team.

### Equalities Implications
None arising directly from this report.

### Health & Safety Implications
There are no direct implications.

### Further Information

#### 7.1 Background Papers – Previous Strategy Board and Corporate Board Papers

#### 7.2 File Reference – None

#### 7.3 Appendices – Appendix 1 – Current Eligibility Criteria

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**Email / Extension:** Callum.mckeon@richmondshire.gov.uk  
Ext 44003  
**Spokesperson:** Councillor Lawrence Grose
Appendix 1

Small Business Grant Scheme
Application Criteria

This grant scheme has been established to support small businesses, which aim to generate an increase in business turnover or job creation within the District. A total of £30,000 has been set aside for this financial year. Applications are decided upon a first-come-first-serve basis and the scheme will close following the allocation of the funding available. Decisions are reached on a monthly basis; the timetable of meetings where bids will be considered is attached to the proposal form on Page 7.

The scheme will initially be split into five ‘pots’ based on Area Partnership areas and each pot will have a ring-fenced £6,000 available which will only be allocated to businesses within the area boundary. This will be implemented for the first three months of the scheme operating and any funds not allocated from each pot following the third deadline for bids (1 February) will be placed back into a central pot for allocation to businesses from any location in Richmondshire. The areas are aligned with the Area Partnership areas and are Central Richmondshire, North Richmondshire, Lower Wensleydale, The Garrison and Upper Dales.

- Applications can be for no more than £1,000
- The maximum percentage of the total project costs which can be applied for is 75%
- Applications can be made by existing or new/start-up businesses
- Purchases can be for capital or revenue projects for example the purchase of machinery/equipment, ICT hardware/software, staff training, consultancy fees etc.
- Grants are for businesses which are based within the Richmondshire District boundary only and which have a maximum of 4 Full Time Equivalent Employees.
- The business must be solvent and up to date with all Richmondshire District Council accounts e.g. business rates. An internal credit check will be completed as part of the process – grants will not be offered to businesses, which do not meet these criteria.
- Approval or refusal of a grant is at the discretion of Richmondshire District Council. The decision is final and the application process can take up to a maximum of 8 weeks.
- The bank account details provided must be in the business name and not personal. Where businesses do not have an account in their business name, one should be set up prior to applying to the scheme for funding support.
- Grant requests cannot be for purchases, which have been made prior to the application being approved – all invoices and receipts for purchases must date after any offer of grant.
- A minimum of 2 quotes must be provided for each item to be purchased, where practical.
- Successful applicants must provide a 12-month progress update following the grant offer
- Eligible businesses should have no more than £25,000 unringfenced business reserves at the time of making the application or at their last yearly accounts. This must be evidenced by providing a minimum of two years’ worth of accounts where possible. This does not apply to
new or start-up businesses who should be able to detail the current reserves in their business account and projected income for a 6-12 month period.

- Applicants should obtain local District Councillor support for your proposal and include evidence of this within your application submission e.g. email of support or letter format.
- Grants awarded are only paid following the production of an invoice/receipt
- RDC reserves the right to withdraw the grant where spend is not in line with the offer made
- All successful grants must be claimed within 6 months of the offer letter date

**Ineligibility & Exclusions**

- Community groups, not for profit organisations, individuals, social enterprises, statutory bodies e.g. Parish Councils are not eligible to apply into this funding scheme.
- The scheme will not fund the ‘running costs’ of any business including rent, utilities, travel costs, salaries, legal fees or insurance.
- Businesses cannot apply for purchases, which they have made prior to being successful in receiving a grant from RDC – this will be demonstrable through the production of an invoice dated after an offer of grant support is presented.
- Businesses which have previously received a grant through this scheme in previous years are not eligible to re-apply
- Incomplete applications will not be considered
- If information is not provided within 28 days following the request for further information, the bid will be rendered null and void and businesses must then re-apply to be considered.

**Advice and Support**

Should you require any advice regarding the scheme or support in pulling together your application or supporting accompanying information, please do not hesitate to contact Richmondshire District Council’s Business & Community Support Officer:

Samantha Coultish,
Business & Community
Richmondshire District Council
Mercury House
Station Road
Richmond
North Yorkshire
DL10 4JX

Telephone: 01748 901037 (Direct Line)
Email: Samantha.Coultish@richmondshire.gov.uk