

| Title of Report: | Rural Business Development Scheme |
|---|-----------------------------------|
| Rural Business Development Scheme | Council |
| Date of Meeting: | 7 th July 2020 |
| For Decision or For Information | For Decision |

| Linkage to Council Strategy (2019-23) | |
|---------------------------------------|---|
| Strategic Theme | Accelerating our Economy and Contributing to Prosperity |
| Outcome | All people of Causeway Coast and Glens will contribute to and |
| | benefit from a thriving economy built on a culture of growth, |
| | entrepreneurship, innovation and learning |
| Lead Officer | Head of Prosperity & Place |
| | Business Development Manager |
| | Economic Development Officer - Enterprise |

| Budgetary Considerations | |
|------------------------------------|---|
| Cost of Proposal | Provision of Grant from DAERA - £62,000, with cost recovery of 15% of total by Council (£9,300) |
| Included in Current Year Estimates | YES/NO |
| Capital/Revenue | Capital |
| Code | |
| Staffing Costs | As Above |

| Screening Requirements | Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals. | | |
|---------------------------------|--|--------|-------|
| Section 75 Screening | Screening Completed: | Yes/No | Date: |
| | EQIA Required and Completed: | Yes/No | Date: |
| Rural Needs Assessment (RNA) | Screening Completed | Yes/No | Date: |
| | RNA Required and Completed: | Yes/No | Date: |
| Data Protection Impact | Screening Completed: | Yes/No | Date: |
| Assessment (DPIA) | DPIA Required and Completed: | Yes/No | Date: |

1.0 Purpose of Report

The purpose of this report is to update Members on funding from Department of Agriculture, Environment and Rural Affairs (DAERA) for the roll-out of a further Rural Business Development Scheme for the financial year 2020-2021.

2.0 Context

This is proposed as a follow up to the successful 2019 pilot funded under the Department of Agriculture, Environment and Rural Affairs' Tackling Rural Poverty and Social Isolation Programme (TRPSI). Its key aim is to assist in tackling poverty and social isolation within deprived rural areas. The Scheme's primary aims are to:

- Alleviate financial poverty by enhancing entrepreneurship and growth.
- Alleviate financial poverty by supporting micro businesses in rural areas.

This proposed second round of funding would be re-purposed to support recovery and sustainability post-COVID. This grant is separate from, and complimentary to, the Rural Development Programme which has a minimum grant threshold of £5,000.

3.0 Programme Criteria

- Micro businesses located in rural areas (as per NISRA NINIS definition).
- New businesses must be able to demonstrate they have commenced trading.
- Must demonstrate added value of proposal both to business and impact on recovery and sustainability.
- Must demonstrate ability to complete project and access grant by 31 March 2021.
- Minimum grant awarded £500 with maximum of £4,999.
- Must demonstrate they are ineligible to access similar support from elsewhere.

4.0 Funding Level

- Grants providing capital support up to a maximum of £4,999 or 50% of total costs.
- Match funding must be in the form of a 'cash' contribution. Labour or 'in-kind'. contributions will not be accepted.
- The total cost of a project should not exceed £20,000.

5.0 <u>2019 Pilot Outputs – Causeway Coast and Glens Council Area</u>

Total number of successful projects: 19

Total value of grant aid awarded: £72,089.75

Total value of investment: £158,965.86 (grant + match funding)

Sectors supported:

| Services: 3 | Design: 2 |
|------------------|-----------------|
| Manufacturing: 2 | Construction: 5 |
| Consultancy: 1 | Engineering: 3 |
| Food: 2 | Equestrian: 1 |

Size of businesses supported:

| No employees | 4 |
|--------------------|----|
| Up to 10 employees | 15 |
| TOTAL | 19 |

Types of businesses supported:

| Sole trader | 10 |
|-----------------|----|
| Partnership | 3 |
| Social Economy | 0 |
| Limited Company | 6 |
| TOTAL | 19 |

Level of Interest

Number of Enquiries received for the application call: 119

• Number of applications received: 48

6.0 <u>2020 Programme</u>

Councils have completed an evaluation of the 2019 pilot. DAERA has requested a further collaborative business case to consider a second round of the Rural Business Development Scheme, based on the levels of uptake and feedback from the pilot and specifically to further support recovery and sustainability of rural, micro businesses post-COVID.

A Letter of Offer and Contract from DAERA are pending. It is anticipated that this grant would open in July 2020 with a budget in the region of £62,000 with an additional technical assistance payment to council at 15% (£9,300).

6.1 <u>Indicative Timeline</u>

| June 2020 | DAERA approval for Programme and contract for funding issued. |
|----------------|--|
| June 2020 | Revision of Programme documentation (Application Form, Scoring Matrices/Criteria) and Programme Promotion. |
| July 2020 | Public calls for Applications. |
| Aug 2020 | Deadline for Applications. |
| Aug 2020 | Screening & Assessment of Applications. |
| Aug 2020 | Issuing of LoOs. |
| Aug 20/Dec 20 | Project delivery. |
| Jan 20/ Mar 21 | Submission of claims / Project Reports (payment made by promoters prior to 31 Mar 2021). |

7.0 Recommendation

It is recommended that Council accepts the funding on offer from DAERA and agrees to deliver the Rural Business Development Scheme in Causeway Coast and Glens in 2020.

Members should note that, as with all funding from central government, the timeline and other details included above are indicative only.