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| <b>Title of Report:</b>                | <b>Enterprise Fund 2021</b>           |
| <b>Committee Report Submitted To:</b>  | The Leisure and Development Committee |
| <b>Date of Meeting:</b>                | 15 June 2021                          |
| <b>For Decision or For Information</b> | For Decision                          |

|  |   |
|--|---|
| <b>Linkage to Council Strategy (2019-23)</b> |   |
| 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                                 | Economic Development Officer - Enterprise   |

|                                    |               |
|------------------------------------|---------------|
| <b>Budgetary Considerations</b>    |               |
| Cost of Proposal                   | £62,381.83    |
| Included in Current Year Estimates | Yes           |
| Capital/Revenue                    | Revenue       |
| Code                               | 31405         |
| Staffing Costs                     | Within budget |

|  |  |  |  |
|--|--|--|--|
| <b>Screening Requirements</b>            | Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals. |  |  |
| Section 75 Screening                     | Screening Completed:   |  |  |
|  | EQIA Required and Completed:   |  |  |
| Rural Needs Assessment (RNA)             | Screening Completed  |  |  |
|  | RNA Required and Completed:  |  |  |
| Data Protection Impact Assessment (DPIA) | Screening Completed:   |  |  |
|  | DPIA Required and Completed:   |  |  |

## **1.0 Purpose of Report**

The purpose of this report is to update members on the level of applications and scoring panel decisions in respect of the Enterprise Fund 2021.

## **2.0 Background**

The Enterprise Fund seeks to help young businesses, under two years old, who need assistance in taking the next step in their growth plan. The funding is to address barriers to growth via innovative approaches.

Grants of up to £5,000 are available. The 2021 Enterprise Fund grant had a reduced upper limit (previously £10,000), with the aim of assisting more businesses.

This grant opened on Monday 12<sup>th</sup> April 2021 and closed at noon on Friday 14<sup>th</sup> May 2021, with expenditure to be completed and claimed by Friday 18<sup>th</sup> February 2022.

Initial Eligibility Criteria as follows:

- All applicant businesses must be within the Causeway Coast and Glens Borough Council area and actively trading commercially.
- All applicants must have completed the Business Start Programme – available through Enterprise Causeway and Roe Valley Enterprises – within the last two years – or have a fit for purpose business plan from other sources completed within the last two years.
- All applicants must have a bank (or other financial institution) account for the sole purpose of their business – i.e., separate from personal finances.

## **3.0 Pre-Application Support**

Guidelines were made available to all interested businesses and included full details in respect of levels of award, exclusions and assessment and scoring processes. A named contact was also provided to potential applicants wishing to discuss their idea pre-application.

The Enterprise Fund was publicised in all local papers and on Council's social media platforms and Council's Business Support e-zine, prior to the call opening.

There were 74 enquiries to the fund, via telephone and email, by businesses wishing to discuss criteria and requirements. Full support was given to all potential applicants during the funding call.

## **4.0 Enterprise Fund Scoring**

Of the 34 applications received at closing, 11 were deemed ineligible – reasons included trading over 2 years, failure to supply a business plan, failure to supply a bank statement -and the remaining 23 progressed to scoring panel held Tuesday 18<sup>th</sup> – Thursday 20<sup>th</sup> May 2021. Panel consisted of:

- Business Development Manager.
- Economic Development Officer.
- Economic Development Officer.

15 businesses scored above the 65% threshold and are eligible for funding as follows:

|          | <b>Business I.D</b> | <b>Sector</b>             | <b>Percentage Score</b> | <b>Award</b> |
|----------|---------------------|---------------------------|-------------------------|--------------|
| <b>1</b> | 7358                | Services - Professional   | 82%                     | £3,108       |
| <b>2</b> | 7363                | Tourism Accommodation     | 68%                     | £2,640       |
| <b>3</b> | 7448                | Manufacturing/Engineering | 68%                     | £5,000       |

|    |      |                                   |     |                   |
|----|------|-----------------------------------|-----|-------------------|
| 4  | 7432 | Services - Retail                 | 88% | £2,663.98         |
| 5  | 7380 | Tourism Activity                  | 70% | £5,000            |
| 6  | 7372 | Retail/Wholesale                  | 82% | £5,000            |
| 7  | 7497 | Creative Industry                 | 84% | £4,152            |
| 8  | 7379 | Retail/Wholesale                  | 70% | £5,000            |
| 9  | 7543 | Tourism Accommodation             | 70% | £5,000            |
| 10 | 7407 | Services – Health & personal Care | 66% | £3,666            |
| 11 | 7512 | Services - Professional           | 72% | £3,430            |
| 12 | 7506 | Manufacturing/Engineering         | 70% | £4,998.85         |
| 13 | 7513 | Hospitality                       | 66% | £3,610            |
| 14 | 7500 | Creative Industry                 | 82% | £4,213            |
| 15 | 7531 | Electrical Installation           | 96% | £4,900            |
|    |      |                                   |     | <b>£62,381.83</b> |

## 5.0 Recommendation

That Council agrees to award funding to all 15 businesses noted above, under the auspices of the 2021 Enterprise Fund totalling **£62,381.83**.

Further information in respect of this grant is attached – See Annex A.

## **Annex A: Levels of Award and Eligibility**

### **1.3 Levels of Grant Award**

The Enterprise Fund can provide funding of up to 100% costs up to a maximum of £5,000. The total cost of the project must not exceed £10,000. Match funding is not a requirement. Applicant businesses must be in a position to pay for items and claim the money from Council retrospectively.

This is a competitive process and all grant awards will be determined on the basis of merit. Applicants are advised that organisations that have been successful in securing Council funding in the past will not automatically be guaranteed funding in the future. Council reserves the right to reduce the amount of funding awarded if we do not consider that the amount applied for represents value for money or if there are insufficient funds available to meet the request.

**Please Note:** Successful applicants will have to provide all evidence requested once the project expenditure is complete. This will include original receipts, business bank statements, or any other documentation deemed necessary. This list is not exhaustive. If requested documentation is not supplied, payment will be withheld. Please do not apply for funding if you cannot supply these items.

Within the 2021 Enterprise Fund, applications are open to young businesses in all sectors.

### **1.4 General principles**

In line with Council's Grant Funding Policy, the overarching principle for all Council grant funding is that of meeting local needs which have been identified and prioritised by Council or by others and acknowledged by Council. Any activity that cannot be shown to meet the following basic requirements will not be provided with funding:

- Have a clearly identified need i.e., the application addresses barriers to growth which the business faces.
- Can deliver outcomes which meet this need.
- In the case of this funding, deliver improved profits, increased employment, entry into new markets, cost effective and quality service provision, fitting with the purpose and remit of the funding.
- Be undertaken by a credible business with the capacity to deliver the project as stated.
- Reflect the statutory remit of Causeway Coast and Glens Borough Council aligning with the Council's Corporate Plan, the relevant Service Plan and that they can meet the specific criteria of the fund.
- Applicants must demonstrate their commitment to promoting Good Relations and Equality of Opportunity.
- In the interests of transparency, equality and accountability, all applicants will have a right of appeal should their application be rejected.
- While all applications are treated on the basis of merit, Council would particularly welcome applications from young people, women and under-represented groups from Section 75 groupings.

**All expenditure must be completed and claimed before 18 February 2022. There is no provision for extending this deadline.**

### **1.5 Who can apply?**

The initial criteria for application are as follows:

- All applicant businesses and social enterprises must be within the Causeway Coast and Glens Borough Council area and actively trading commercially.
- All applicants must have completed the Business Start Programme – available through Enterprise Causeway and Roe Valley Enterprises – within the last two years – or have a fit for purpose business plan from other sources completed within the last two years.
- All applicants must have a business bank (or other financial institution) account for the sole purpose of their business – i.e., separate from personal finances.

**Only businesses that meet these criteria can apply to the Enterprise Fund. Please note, a business plan within the last two years and recent business bank statement dated within the last three months must be supplied at application stage.**

### **1.6 What can be funded?**

Examples of expenditure that can be funded through this grant include:

- New equipment linked to creating new jobs or introducing innovative approaches leading to increased profitability
- Developing I.T systems which can demonstrably lead to increased profitability
- Implementing a significant marketing campaign which will lead to increased sales
- Development of a marketing support programme or sales research which will lead to the business entering new markets

### **1.7 Who cannot be funded?**

This funding programme will not award grants to the following:-

- Businesses whose address is outside the Causeway Coast and Glens Borough Council area
- Businesses with charitable fundraising as their main focus
- Political Organisations
- Businesses previously in receipt of an Enterprise Fund award from Council
- Businesses yet to commence trading
- Any business where there are ethical or reputational considerations – e.g. gambling, money lending, adult entertainment, tobacco products or cannabis products not authorised as medicines, debt factoring, hire purchase financing; pyramid schemes; projects which have as their object the promotion of political or religious views; illegal or immoral activities.
- Any other business that the Council may from time to time deem to be ineligible.

### **1.8 Exclusions**

The purpose of this funding is to support innovation. In general, the following will not be eligible for funding:-

- Retrospective expenditure where services/items have already been obtained and paid
- Applications received after the closing date as specified
- Costs that are not auditable e.g. cash payments unsupported by an approved petty cash system
- Costs towards ongoing running costs (e.g. electricity, rent, rates, insurance etc.).
- Building costs

- On-going Licence Fees
- Loan Repayments
- Mobile Assets e.g. bicycles, cars, vans, lorries, boats, trailers, horse-boxes, diggers
- Second hand equipment including refurbished equipment
- General maintenance or refurbishment works
- Servicing of existing equipment
- Consumable items that are used by the business and replaced regularly because they wear out or are used up e.g. printer ink, high-vis vests for staff, hand sanitiser
- Costs towards banking charges and / or repayment of debt
- Costs that can be claimed back from elsewhere e.g. VAT.
- Activities which are party-political in intention, use or presentation
- Salary costs
- Alcohol, gratuities, gifts and prizes
- Purchase of stock for general trading purposes