



## **PORTFOLIO HOLDER DECISION NOTICE**

### **INDIVIDUAL DECISION BY THE DEPUTY LEADER AND PORTFOLIO HOLDER FOR STRATEGIC PLANNING AND ECONOMIC DEVELOPMENT**

#### **TOPIC – GRANT PILOT SCHEME FOR MICRO-BUSINESS DEVELOPMENT**

#### **PROCEDURAL INFORMATION**

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to be made by an individual member of Cabinet.

In accordance with the Procedure Rules, the Corporate Director (Governance), the Chief Executive and the Head of Finance are consulted together with Chairman and Vice Chairman of The Overview and Scrutiny Committee and any other relevant overview and scrutiny committee. In addition, all Members are notified.

If five or more Members from those informed so request, the Leader may require the matter to be referred to Cabinet for determination.

#### **Contact Officers:**

**Case Officer:** Alison Woods, Economy and Arts Development Manager, [awoods@winchester.gov.uk](mailto:awoods@winchester.gov.uk), 01962 848 347

**Committee Administrator:** Nancy Graham, [ngraham@winchester.gov.uk](mailto:ngraham@winchester.gov.uk), 01962 848 235

#### **SUMMARY**

- The Leader, Portfolio Holder for Strategic Planning and Economic Development, Chief Executive and the Economy and Arts Team have discussed the need for micro-business development grants based on customer feedback and the wish to stimulate enterprise during the ongoing recession.
- This Portfolio Holder Decision Notice sets out the detail of the proposed pilot grant scheme, including the criteria and application process.
- Following changes to the delivery of the Business Link service in 2011 there are no grants to support the development of micro-businesses (with 1 to 9 employees) in the Winchester District. LEADER grants are available to support businesses in the rural areas but these do not cover all types of expenditure that could help a micro-business expand and develop, such as purchase of IT equipment, website design, recruitment costs and training and/or professional development. In addition, it is likely that all current LEADER funding will be committed by October 2012.

- In May this year the Government introduced a new scheme for young entrepreneurs to start up businesses, but there is not a parallel scheme for developing micro-businesses as they start to grow.
- Leading Members therefore consider that an allocation of £5,000 should be made from the existing Council's Economic Development budget to provide grants of up to £1,000 for this purpose.
- The Appendices to this Notice set out the proposed criteria and application form, which have been drawn up to ensure that the grant scheme is relatively simple to apply for and easy to administer by officers. Feedback from businesses has also indicated that they would like local government to reduce red tape and as the grants are for relatively small amounts, the Council needs to ensure the application process is as straightforward as possible. Officers have taken into consideration other grant schemes such as LEADER, so as to complement such schemes.
- This work directly supports the economic prosperity theme of the Winchester District Community Strategy 2010 to 2020.
- Members are asked to approve the introduction of the scheme on a trial basis in 2012/13, from within existing budgets, to assess the level of demand and the actual take-up.
- The pilot scheme would be reviewed at the end of the financial year. If it was successful the team would consider introducing the Scheme on a more permanent basis. If there was low demand for the Scheme the remaining funds could be reallocated.

## **DECISION**

1. That the proposal for a Grants for the Micro-Business Development Scheme, using up to £5,000 from the Council's Economic Development budget for 2012/13 be approved;
2. That the draft criteria and application process set out at the Appendices to the Notice be approved;
3. That the Head of Economy and Arts be authorised to implement the Scheme with immediate effect, based on these criteria;
4. That the Scheme be reviewed at the end of 2012/13 and a further report be made to Members if the Scheme is to be continued thereafter.

**REASON FOR THE DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

As has been explained above, the proposed Scheme has arisen from customer feedback and an assessment by officers of the availability of business support from other means.

Other practical help is provided for micro-businesses by officers, such as advisory visits, support through the planning process, signposting of other relevant services and so on. However, a cash grant often has the power to make the most impact and the most immediate difference.

**RESOURCE IMPLICATIONS:**

Up to £5,000 from approved Economic Development Budget for 2012/2013. The allocation of this budget of £5,000 could impact on the delivery of the service as it would make the team less able to respond to new economic development opportunities or projects that require additional funding during the course of the 2012/2013 financial year.

**CONSULTATION UNDERTAKEN ON THE DECISION**

Informal consultation has been carried out with business owners, the LEADER Programme Manager and other local authority economic development teams.

**FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER DECISION NOTICE**

Cllr Lipscomb suggested increasing the budget from £5,000 to £10,000 for this scheme. However, as this is a pilot scheme, officers wish to test the demand with a limited £5k budget. If there is a great deal of interest and more grants are being demanded than the budget allows, options to finance a larger scheme will be investigated.

**DECLARATION OF INTERESTS BY THE DECISION MAKER OR A MEMBER OR OFFICER CONSULTED**

n/a

**DISPENSATION GRANTED BY THE STANDARDS COMMITTEE**

n/a

Approved by: (signature)

Date of Decision: 28.08.12

**Councillor Robert Humby – Deputy Leader with Portfolio Holder for Strategic Planning and Economic Development**

## **Winchester City Council**

### **Micro-Business Development Grant Pilot Scheme Rules and Guidance Notes**

#### **What is it?**

The Micro-Business Development Grant Scheme is a one-off payment to help support and develop your business. It may be paid as one instalment via a direct bank payment (BACS). The grant can be applied for at any time during the financial year and can be for a maximum of £1,000.

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

Applicants must be operating a micro-business (1 to 9 employees), be based in the Winchester City Council District and show evidence of need of grant funding.

#### **What do you need to submit?**

You will need to complete an application form and say why the grant is needed. You must also submit a business plan including past accounts for the last three years (or however long you have been trading) and projected accounts for the next 3 years.

#### **What can the grant be spent on?**

The application form should clearly state what the grant will be spent on, and why it is needed. This should be on items required to allow your business to develop. For example:

- purchases of IT equipment
- website design
- employment or recruitment advice
- recruitment costs
- training and/or professional development
- help with relocation costs to expand the business
- anything else which is essential for developing your micro business

An application can include costs of VAT which you have to pay but are unable to recover through normal VAT reclaiming procedures

#### **What criteria are used to assess your application?**

Criteria are subject to change as the Council regularly reviews its policies and priorities. Your application should take account of the following criteria:

- the business's contribution to local distinctiveness (e.g. history, character, shopping offer of the district);
- the nature of the business: is it one of the five core sectors of the Winchester economy (knowledge/creative industries; service; tourism; retail and land-based)?;
- how the grant will be in the interest of council tax payers;
- how the grant will be used to employ additional staff members;
- a commitment to joining signing up to Southern Entrepreneurs ([www.southernentrepreneurs.com](http://www.southernentrepreneurs.com)) who provide free networking and low cost training. Anne Dawson at Southern Entrepreneurs can be contacted on 023 8068 8334 or email [anne.dawson@eastleigh.gov.uk](mailto:anne.dawson@eastleigh.gov.uk);
- any planning / building control / licence or other necessary consent must have been obtained before the grant is applied for;
- only one grant per micro-business will be paid;
- other grants or support received from the Council or other organisations;
- applicants should work towards environmentally-friendly working practices where possible.

**When will the grant be paid?**

The Micro Business Development Grant Scheme is usually paid as a retrospective grant. This means that the services and goods will normally be paid for by yourself and then you may be reimbursed on submitting a grant payment request to the Council with supporting invoices and receipts. The Council may consider alternative mechanisms in appropriate circumstances, where this is permissible.

**Winchester City Council audit checks**

Winchester City Council reserves the right to visit your business premises to check grant purchases have been made in accordance with the Micro-Business Development Grant criteria and application form.

**Grant availability**

Winchester City Council has allocated £5,000 to support micro-sized business development in 2012/2013 and this may not be available in future years. Grants will be assessed against the above criteria and allocated on a first come-first served basis.

**Where a grant is awarded, the goods and services must be purchased and reimbursement must be claimed no later than three months after grant approval.**

**Repayment of Grant**

You will be required to repay any grant which has been paid as a result of any false statement by you, or where the grant has not been used for the specified purpose.

**Other potential sources of funding**

Should the small business development grant scheme not be suitable/applicable to your businesses you may like to consider the following funding opportunities:-

LEADER funding for rural areas

[www.fieldfareleader.org.uk/](http://www.fieldfareleader.org.uk/)

Young Entrepreneurs start up funding

[www.startupbritain.org/loans](http://www.startupbritain.org/loans)

Other business grants information

[www.winchester.gov.uk/business/business-grants](http://www.winchester.gov.uk/business/business-grants)



## Micro Business Development Grant Pilot Application Form

Please read the guidance notes before completing this application form.

<b>1. Applicant details</b> <i>(please bring proof of your business address e.g. NNDR (Business rates) invoice, utility bill or another proof of your business address)</i>	
Mr/Mrs/Ms/Other	_____
First Name	_____
Last Name	_____
Telephone number	_____
Email address	_____
<b>2. Business details</b>	
Business name	_____
Business address	_____
Business postcode	_____
Business telephone number	_____
Business email address	_____
<b>3. Describe your business and its aims, how many people you employ, and why you need the grant funding (continue on a separate sheet if necessary)</b>	
_____	
_____	
_____	
_____	
_____	
<b>4. Do you have a business plan?</b> <i>(Please tick as appropriate)</i>	
Yes – please send your business plan to Winchester City Council with your application form.	
No – View Business Link’s website for advice on writing a business plan <a href="http://www.businesslink.gov.uk/bdotg/action/layer?topicId=1073869162">www.businesslink.gov.uk/bdotg/action/layer?topicId=1073869162</a>	
<b>5. Have you included your past audited accounts for the last three years (or however long you have been trading) and projected accounts for the next three years?</b> <i>(Please tick as appropriate)</i>	
Yes – please send your accounts to Winchester City Council with our application form	
No – View Business Link’s website for advice on financial management <a href="http://www.businesslink.gov.uk/bdotg/action/layer?topicId=1073933591">www.businesslink.gov.uk/bdotg/action/layer?topicId=1073933591</a>	

<b>6. Grant details</b>	
a) Have all necessary consents been received? For example planning permission, building control consent or licences. (Include names of consents)	Yes / No/ N/A
<hr/>	
b) Have you attended any business training courses? Contact Anne Dawson at Southern Entrepreneurs on 023 8068 8334 or email <a href="mailto:anne.dawson@eastleigh.gov.uk">anne.dawson@eastleigh.gov.uk</a> for further information	Yes / No
<hr/>	
e) How much grant are you applying for, and when will it be spent? (The maximum grant is £1,000)	£
f) What do you intend to spend the grant on?	
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g) Please provide evidence of the expenditure e.g. page from brochure or website link	
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<b>7. What would the affect be of you not being awarded this grant?</b>	
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<b>8. How did you hear about the Winchester City Council's Small Business Development Grant Scheme?</b>	
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<b>9. Declaration</b>	
I declare that the information supplied is correct and I have read and understood the rules of the scheme. I agree to repay any grant paid where the information supplied is incorrect or where these rules have not been complied with.	
Signature	<hr/>
Print name	<hr/>
Date	<hr/>

**Please send the completed form to:**

Alison Woods  
Economy and Arts Development Manager  
Winchester City Council  
City Offices  
Winchester City Council  
Colebrook Street  
Winchester SO23 9LJ  
Email: [awoods@winchester.gov.uk](mailto:awoods@winchester.gov.uk)  
Tel: 01962 848 347

**Data Protection Statement**

Any personal data you supply on this application form will only be used for purposes in connection with the Winchester business grants scheme. We would, however, like share your details with other colleagues within Winchester City Council. If you do not wish to be included on this list please tick this box

For more information about Winchester City Council's business support activities visit [www.winchester.gov.uk/business](http://www.winchester.gov.uk/business)