

ARUN DISTRICT COUNCIL

REPORT TO AND DECISION OF THE ECONOMY COMMITTEE ON 12 OCTOBER 2021

REPORT

SUBJECT: DISCRETIONARY GRANTS – WIDER BUSINESS SUPPORT FUND

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DATE: 19th August 2021

EXTN: 01903 737845

PORTFOLIO AREA: Economy Group

EXECUTIVE SUMMARY: In June 2021 this Committee agreed to allocate funding from the Government Additional Restrictions Grants to a wider business support fund. This was in line with guidance and was to be used for a variety of different grants. This report advises the Economy Committee on the progress of those grants and requests that further funds be allocated.

RECOMMENDATIONS:

It is recommended that the Committee agree:

i. to allocate £140,000 additional funding to two grant streams as set out in this report. Get Online and Upgrade Grant - £80,000 and New Business Start Up Grant £60,000.

1. BACKGROUND:

1.1. Shortly after the first Lockdown in March 2020 Government provided funding for Discretionary Grants for businesses. This funding has continued with sums being allocated at various points during 2020 and now into 2021.

1.2. Local Authorities were encouraged to use part of this funding for wider business support initiatives and in June 2021 this Committee agreed to allocate £500,000 to a grants fund to provide four different grants.

- i. Get Online & Upgrade Grants - £100,000
- ii. Business Start Up grants - £100,000
- iii. Greener Business Grants - £200,000
- iv. LEAP Grants - £100,000

1.3. When these sums were allocated it was not expected that the Council would receive any additional funding. However, because lockdown measures were not fully lifted in May, the deadline for spending the first two allocations of funding was extended from 30th June 2021 to 31st July 2021. That additional time allowed conditions to be met and the Council was allocated an additional £977,562.00.

1.4 The additional funding allowed Discretionary Grants Round 6 to be run and funding remains.

1.5. The table below shows the current position with the existing grants. The LEAP Grant and the Get Online and Upgrade Grants have both now been withdrawn as applications exceed the amount of funding that remains.

Grant Stream	Budget	Notes	Currently Allocated	Businesses Supported
Get Online & Upgrade	£100,000	Maximum £2,500 grant – at least 40 businesses supported	£96,323	52
Start Up Grants	£100,000	Maximum £2,000 grant – at least 50 businesses supported	£65,486	36
Greener Business Grants	£200,000	Maximum £10,000 grant – at least 20 businesses supported	£71,731	12
LEAP Grants	£100,000	Maximum £2,500 grant – at least 40 businesses supported.	£98,235	51

2. PROPOSAL(S):

2.1. As reported at 1.3 above the Council received an additional sum of £977,562.00.

2.2. This allowed further grants to be provided for businesses affected but the Covid pandemic and the opportunity to apply for that Round 6 Discretionary Grant closed on 31st July.

2.3 There remains the sum of £140,253.00 which is currently unallocated.

2.4. This funding is required to be spent by 31st March 2022.

2.4 It is proposed that additional funding of £80,000 be allocated to the Get Online and Upgrade stream and £60,000 to the Business Start Up stream.

2.5. This will support a greater number of businesses that wish to upgrade their IT and web site as well as supporting additional new start businesses. The LEAP fund has not been chosen because LEAP funds have been available previously and a further round of this type of funding is currently being bid for from a different source to provide such grants from April 2022.

2.6. It is important to note that this funding cannot be spent on anything other than support to businesses. This can be direct or indirect – guidance advises that direct grants are preferred.

3. OPTIONS:

3.1 To allocate additional funding to the two grant funds outlined in 2.5. above

3.2 To not allocate additional funding and return the remainder of the allocation to the government at the end of March 2022.

4. CONSULTATION:		
Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council (for previous decisions)		X
Relevant District Ward Councillors (for previous decisions)		X
Other groups/persons (please specify) Some Ward Cllrs have changed since decisions were made		X
5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
Financial		x
Legal		x
Human Rights/Equality Impact Assessment		x
Community Safety including Section 17 of Crime & Disorder Act		x
Sustainability		x
Asset Management/Property/Land		x
Technology		x
Other (please explain)		x
6. IMPLICATIONS:		

7. REASON FOR THE DECISION:
To provide additional grants to support local businesses with their growth.

8. BACKGROUND PAPERS: Report to Economy Committee June 2021.
<https://democracy.arun.gov.uk/ieListDocuments.aspx?CId=352&MId=1473&Ver=4>