

Report of the Chief Executive

BROXTOWE BUSINESS START-UP GRANT SCHEME1. Purpose of report

To outline details of the Broxtowe Business Start-Up Grant scheme along with a new proposed grant scheme for Broxtowe businesses.

2. Background

In 2018/2019 a grant was offered to new Broxtowe businesses to support initial start-up expenditure. These grants have been used to support nine businesses with a total of £8913.87 spent or committed on grants assisting businesses thus far. The geography of the grants awarded was highlighted in a report to this committee on 5 September 2019.

Overall this funding has supported the creation of eight jobs. Seven months into the scheme and all of the businesses that have received funding are thriving. However, the overall return on investment and turnover of each business is difficult to determine as this is done after the first year of trading.

Based on the success of the Grant scheme in its previous format and feedback from current start-up businesses, a new scheme intended to better meet the business need is proposed. Further details are set out in the appendix.

3. Financial implications

The cost of the present Business Start Up Grant scheme in 2019/20 is met from the Town Centre Management budget within Economic Development. This budget has been carried forward from previous years and is expected to be spent in full by 31 March 2020. It is proposed that a new budget of £15,000 be established from 1 April 2020 to meet the cost of the new Broxtowe Business Start-Up Grant scheme.

Recommendation

The Committee is asked to:

- 1. RESOLVE that the new Broxtowe Business Start-Up Grant scheme as set out in the appendix be approved.**
- 2. RECOMMEND to the Finance and Resources Committee that the inclusion of £15,000 in the 2020/21 budget for the new Broxtowe Business Start-Up Grant scheme be approved.**

Background papers

Nil

APPENDIX**Introduction**

The updated 'Broxtowe Business Grant Scheme' is intended to encourage entrepreneurialism, business start-ups and overall business growth in the Broxtowe area.

Outline Scheme

This grant will be designed to support businesses with their start-up costs where bank loans and savings are not sufficient. A grant of between £500 and £2,500 will be made available to businesses that are either pre-start up or in their first six months of trading.

Applications will be submitted to the Senior Economic Development Officer who will ensure all information required has been submitted and the business is eligible for funding. A summary of each application will then be sent to the Chair and Vice Chair of the Jobs and Economy Committee to agree the outcome of the application.

Assessment criteria will be put in place to ensure each application meets the same requirements. This will include factors such as ensuring the business has a unique selling point, there is a gap in the market for it and their financial projections are reasonably justified.

Applications would need to demonstrate these points in a business plan and cash flow forecast to be submitted alongside the application form. Support for businesses making the application would be offered through Nottingham Business Venture and the D2N2 Growth Hub.

Budget

Table of figures relevant to the 'Start-Up' grant scheme - estimated start April 2020.

Activity	2020/21	2021/2022	Total
Business grant	£15,000	£15,000	£30,000
Marketing	£0	£0	£0
Total	£15,000	£15,000	£30,000

Outputs

With the successful awarding of the 'Start-up' grant, one business would start trading and one job would be created. There is the potential for further jobs to be created should the business continue to trade and grow in Broxtowe.

Outcomes

This grant scheme would help increase the number of businesses starting in the borough, in line with the D2N2 LEP Strategic Economic Plan, current Corporate and Economic Regeneration strategy.