

<b>Enterprise Fund</b>	<b>12<sup>th</sup> December 2017</b>
<b>To: The Leisure and Development Committee For Decision</b>	

<b>Linkage to Council Strategy (2015-19)</b>	
<b>Strategic Theme</b>	Accelerating our Economy and Contributing to Prosperity
<b>Outcome</b>	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
<b>Lead Officer</b>	Head of Prosperity & Place Business Development Manager Economic Development Officer - Enterprise
<b>Cost:</b> (If applicable)	£50,000 fund for 2017-2018

**The purpose of this report is to update members on the level of applications and scoring panel decisions in respect of the 2017 – 2018 Enterprise Fund as per Leisure and Development Committee decision at the meeting of 08 August 2017, and to provide recommendations in relation to Enterprise Fund awards.**

### **Background**

The Enterprise Fund was designed to help those start-up businesses that need assistance in taking the next step in their growth plan. The fund is aimed at supporting new businesses, with a track record of two years or less, to address barriers to growth via innovative approaches.

4 grants of up to £10,000 and up to 10 grants of £1,000 were available.

This fund opened on Monday 16<sup>th</sup> October and closed at noon on Friday 3<sup>rd</sup> November 2017, with expenditure to be completed and claimed by Friday 16<sup>th</sup> March 2018.

Initial criteria as follows:

- All applicant businesses must be within the Causeway Coast and Glens Borough Council area.
- All applicants must have completed the Business Start Programme – available through Causeway Enterprise Agency and Roe Valley Enterprises – within the last two years – or have a 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.

### **Pre-Application Support**

Guidelines were made available to all interested businesses and included full details in respect of levels of award, exclusions (see Annex A) and assessment and scoring processes. Named contacts were also provided to potential applicants wishing to discuss their idea pre-application.

The Enterprise Fund was launched by the Mayor and achieved coverage in all local papers and on Council's social media platforms. Local Enterprise Agencies also contacted those businesses on their databases that were eligible to apply.

There was a high level of interest in respect of the fund, via telephone and email enquiries, by businesses wishing to discuss criteria and requirements. Full support was given to all potential applicants during the funding call.

### Enterprise Fund Scoring

Of the 23 applications, totalling £152,664.08, received at closing, 3 were deemed ineligible and the remaining 20 progressed to scoring panel held on Tuesday 7<sup>th</sup> and Friday 10<sup>th</sup> November. Panel consisted:

- Head of Prosperity & Place.
- Business Development Manager.
- Economic Development Officer – Enterprise.

Scoring outcomes as follows:

### Applicants to the £10,000 Scheme

Name of Business	Project Description	Percentage Score	Award
Medicinall Ltd.	Smart Portfolio for doctors	100%	£10,000.00
Ballycastle Sea Tours	Pre-owned Boat	90%	£10,000.00
Glenara Elite Travel	Midi Coach	90%	£10,000.00
Taylor Yates	Product & Marketing	88%	£6,000.00*
Corndale	Equipment	88%	£6,000.00*
Kiwi & Copper	Tools	88%	£6,000.00*
Fiona Shannon Ceramics	Kiln	86%	-
Infuse Artisan Tea	Décor & Furniture	74%	-
Q Review	Online Review Platform	74%	-
Diamond Shine Valeting	Carport & Garage Fittings	64%	-
Dalriada Kingdom Tours	I.T & Website	58%	-
Giant Tours Ireland	Equipment & PR Materials	50%	-
Nine Glens Walking Tours	Laptop, Camera, Clothing	48%	-
SB Joinery	Website & Equipment	46%	-
Barber Beasts	Signage, Access, Décor	46%	-
Rois Oir Boutique	Security & Equipment	38%	-
The Computer Tech Club	Equipment & Advertising	32%	-
			<b>£48,000</b>

If the 3 businesses tied with a score of 88% were each awarded a reduced amount of £6,000, the budget can be fully utilised.

## Applicants to the £1,000 Scheme

Of the 3 applications assessed, 2 achieved the minimum threshold of 65%, as per the agreed criteria and guidelines.

Name of Business	Project Description	Percentage Score	Award
La Dolce Via Ltd.	Equipment	80%	£1,000.00
Dog Friendly Tours	Web Update & Equipment	76%	£1,000.00
Meraki Art	Materials & Room Hire	62%	-
			<b>£2,000</b>

## Ineligible Applicants

As per the Scheme criteria, 3 applicants were deemed ineligible.

Name of Business	Issue
Marinebase	No Business Plan Supplied
Euro Autospares	Not within 2 years
The Dessert Bar Ltd.	Eating Establishment

### Recommendation 1:

It is recommended that Council awards Enterprise Fund grants to businesses 1-6 under the £10,000 Scheme and businesses 1 & 2 under the £1,000 Scheme, totalling **£50,000**.

### Recommendation 2:

As mentioned at the meeting in which this scheme was agreed, officers requested that any major observations on the improved running of the scheme would be noted and presented for ratification with any funding recommendations. The following changes are requested to the fund for the next call:

1. In issuing this year's funding, officers used a welcome statement for the purposes of targeting specific sectors – in this case:
  - Creative, digital, media, fin tech, health and life sciences.
  - Tourism – specifically business which enhance the local offer, but not attached to accommodation provision – for example, activity businesses.
  - Food – but not eating establishments – aimed at new product development.
  - Small scale manufacturing.
  - Social Enterprises.

It is recommended that for the next call of funding, the call is specific to these sectors only.

2. In terms of exclusions to funding, one which was not included, but that we received applications for, was mobile assets. It is recommended that these are deemed ineligible items for the next round of funding. Generally, funding streams for transport or other mobile assets of this nature are specific to transport needs, and it is rare – if ever – that funding allows them.

## Annex A: Levels of Award and Eligibility

Enterprise Fund	Maximum Grant Amount
<p><b>Large Grant – for example</b></p> <ul style="list-style-type: none"> <li>• Equipment linked to creating new jobs or introducing innovative approaches leading to increased profitability.</li> <li>• Developing I. T. systems for the business which can demonstrably lead to increased profitability or increased employment potential.</li> <li>• Implementing a significant marketing campaign which will lead to increased sales.</li> <li>• Product and design development.</li> <li>• In limited cases, support towards the employment of a key member of staff to assist in the delivery of improved profitability, entering new markets and so on. The applicant must demonstrate available funding to continue the post for a minimum of two years beyond the life of the grant</li> </ul>	<p>£10,000</p> <p>(4 grants available)</p>
<p><b>Small Grant – for example</b></p> <p>Development of a marketing support programme or sales research which will lead to the business entering new markets</p>	<p>£1,000</p> <p>(10 grants available)</p>

This is a competitive process and all grant awards will be determined on the basis of merit. Applicants are advised that organisations who 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.

**Please Note:** Successful applicants will have to provide all evidence requested once the project expenditure is complete. This will include original receipts, 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.

**Council particularly welcomes applications from businesses in the following sectors:**

- **Creative, digital, media, fin tech, health and life sciences.**

- **Tourism – specifically business which enhance the local offer, but not attached to accommodation provision – for example, activity businesses.**
- **Food – but not eating establishments – aimed at new product development.**
- **Small scale manufacturing.**
- **Social Enterprises.**

### **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 Friday 16<sup>th</sup> March 2018. There is no provision for extending this deadline.**

### **Who can apply?**

The initial criteria for application are as follows:

- All applicant' businesses must be within the Causeway Coast and Glens Borough Council area.

- All applicants must have completed the Business Start Programme – available through Causeway Enterprise Agency and Roe Valley Enterprises – within the last two years – or have a 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.

**Only businesses that meet these criteria can apply to the Enterprise Fund. Please note, a business plan must be supplied at application stage.**

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

Examples of expenditure that can be funded through this grant are listed under Section 1.3.

### **What 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.
- Running costs.
- Loan repayments.
- Any business where there are ethical considerations – for example, betting shops, money lending, 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.

### **Exclusions**

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

- Retrospective expenditure where services/items have already been obtained and paid.
- Applications received after the closing date specified in the promotional literature.
- 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, insurance etc.).
- Building costs.
- 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 will not be funded, unless in very exceptional circumstances.
- Alcohol, gratuities, gifts and prizes will not be funded.
- Rent, rates, general cash-flow or running costs.
- Purchase of stock for general trading purposes.