

**HAMBLETON DISTRICT COUNCIL**

**Report To:** Cabinet  
16 October 2012

**Subject: GRANTS FOR SMALL BUSINESSES**

**All Ward(s)  
Scrutiny Committees  
Leader of the Council: Councillor Huxtable**

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**1.0 PURPOSE AND BACKGROUND:**

- 1.1 The purpose of this report is to seek approval in principle to develop a scheme to encourage local economic growth through the provision of grants to the small and medium sized business sector in Hambleton. This will be facilitated through the provision of £100,000 as a one-off revenue fund for the scheme financed through the Service Improvement Reserve.
- 1.2 The Council is already working with Jobcentre Plus and the National Apprentice Service to promote and deliver the Leader's initiative "Changing Lives Building Business". This initiative is focused on getting young people into work through apprenticeships in the District Council and the private sector and providing a wage subsidy for small businesses to take on young unemployed people. The Council committed £100,000 to this scheme in June 2012. "Changing Lives Building Business" was officially launched on the 26 September 2012.
- 1.3 The provision of grants for small businesses will compliment the initiative and provide incentives for growth when many are struggling in the current economic climate. Feedback from an event held for small businesses in July provided the council with evidence that the provision of grants for equipment, clothing and other small items would provide valuable support that will directly meet business needs.
- 1.4 This scheme is directly linked to the Apprentice Scheme and preference will be given to those firms taking on apprentices.

**2.0 DECISIONS SOUGHT:**

- 2.1 To approve in principle the development of a grant scheme for small and medium sized businesses and to commit £100,000 as a one-off fund from the Service Improvement Reserve.

**3.0 LINK TO CORPORATE PRIORITIES:**

- 3.1 One of the Council's priorities is to support local economic growth. The Council can facilitate this through the direct provision of grants to businesses.

#### 4.0 **RISK ASSESSMENT:**

##### 4.1 Risk in approving the recommendation:-

<b>Risk</b>	<b>Implication</b>	<b>Prob*</b>	<b>Imp*</b>	<b>Total</b>	<b>Preventative action</b>
Local businesses will not respond positively to the scheme.	The scheme has little or no impact on the growth and sustainability of local businesses	3	4	12	Manage the development of the scheme to identify risks early and conduct a strong awareness raising campaign amongst local business in collaboration with other partners.

##### 4.2 Risk in not approving the recommendation:-

<b>Risk</b>	<b>Implication</b>	<b>Prob*</b>	<b>Imp*</b>	<b>Total</b>	<b>Preventative action</b>
Small businesses are no longer viable	Contraction of the local economy and an increase in the number of people out of work and claiming benefits	4	3	12	Examine other opportunities for working with partners in supporting local economic growth

Prob = Probability, Imp = Impact, Score range is Low = 1, High = 5

Overall the risk of agreeing with the recommendations outweighs the risks of not agreeing them and is considered acceptable.

#### 5.0 **SUSTAINABILITY IMPLICATIONS:**

5.1 Through the provision of direct support to small businesses, the Council is able to have a positive impact on reducing the levels of unemployment within the district. This can break the cycle of dependency on benefits and create a stronger more sustainable local economy within the private sector whilst the public sector contracts.

#### 6.0 **FINANCIAL IMPLICATIONS AND EFFICIENCIES:**

6.1 A one-off payment from the Service Improvement Reserve will be required to enable the delivery of the scheme:

<b>Revenue Effects</b>	<b>2012/13 £</b>	<b>2013/14 £</b>	<b>2014/15 £</b>	<b>2015/16 £</b>
Cost of .....	<u>50,000</u>	<u>50,000</u>	<u>0</u>	<u>0</u>
Financed by:				
Service Improvement Reserve				
	<u>50,000</u>	<u>50,000</u>	<u>0</u>	<u>0</u>

#### 7.0 **SECTION 17 CRIME AND DISORDER ACT 1998:**

7.1 Creating opportunities for growth in local businesses should have a positive impact on the reduction of crime and disorder within the district.

#### 8.0 **RECOMMENDATIONS:**

8.1 The Cabinet support the principle of:

(a) the development of the grants scheme; and

(b) the commitment of a one-off fund of £100,000 from the Service Improvement Reserve.

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**Background papers:** None  
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