

**CYNGOR SIR POWYS COUNTY COUNCIL.**

**Delegated Decision**

**11<sup>th</sup> April 2012**

**REPORT AUTHOR: Economic Regeneration Manager**

**SUBJECT: Powys Business Development Grant Fund 2012-13**

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**REPORT FOR: Decision**

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**1. Summary**

1.1 To consider and approve the allocation of the 2012/13 Powys Business Development Grants budget for both Start-ups and Expansions.

**2. Proposal**

2.1 Powys County Council currently provides 2 grant funding streams which are managed by the Economic Regeneration Team – Business Start Up and Powys Business Expansion.

2.2 The following paragraphs provide a brief explanation of the schemes which are proposed to continue for the 2012/13 financial year. The total amount of capital funds allocated to this year is £390,000 (£200,000 budget plus £190,000 carry over from 2011-12).

**The Start Up Grant**

The Start Up grant fund aims to support start up businesses within the County of Powys, who need to purchase capital equipment for the business to operate. The Powys Business Development Grant has been a successful grant delivered by Powys County Council for a number of years, providing grant aid of 50% - £2,500 max funding to new businesses trading less than 12 months. In 2011-12 The Economic Regeneration Team assisted 83 businesses of which 133.5 jobs were created within Powys.

**The Expansion Grant**

The Expansion grant fund aims to support expanding businesses within the County of Powys, who need to purchase capital equipment for the business to grow. The Powys Business Development Grant has been a successful grant delivered by Powys County Council since October 2011, providing grant aid of 50% - £5,000 max funding to new

businesses trading more than 12 months. Between 1 October 2011 and 31 March 2012 the Economic Regeneration Team assisted 24 expansion businesses of which 48.5 jobs were created and 116 safeguarded within Powys.

- 2.3 Having received numerous telephone calls and talking to other organisations such as Antur Teifi, Robert Owen Community Banking Fund, and the Regional Centre Service (formally known as FS4B), very little assistance is available to businesses as the Welsh Government has little to offer businesses and the banks are being extremely cautious.
- 2.4 Many businesses are finding it increasingly difficult to raise much needed capital funds. This could be for various reasons; own resources cannot support the full cost; banks are currently unwilling to extend overdraft facilities or to loan / support businesses for capital projects etc..

### **3. Powys Change Plan 2012-15**

- 3.1 The Powys Business Development Grant Fund addresses the Change Plan's key area for improvement entitled Regeneration and will aid the successful delivery of the Regeneration Strategy.
- 3.2 The Powys Business Development Fund will assist in meeting the Change Plan's continuous improvement activity' by 'supporting Powys' economy and optimising opportunities for micro, small and medium sized enterprises.

### **4. Options Considered/Available**

- 4.1 It is recommended that both schemes continue for the 2012/13 financial year due to the demand and success of both schemes as mentioned in section 2.

### **5. Preferred Choice and Reasons**

- 5.1 The preferred choice is set out in section 4 above. This will assist the Council in meeting the continuous improvement activity for Regeneration in the Powys Change Plan 2012-15 and in achieving the outcome agreement targets.

### **6. Sustainability and Environmental Issues/Equalities/Crime and Disorder,/Welsh Language/Other Policies etc**

- 6.1 The Strategy has taken account of these issues in the course of its preparation and they will continue to be relevant considerations in its implementation.

- 6.2 The Powys Business Development Fund has a considerable impact on economic vitality, regeneration, health and personal wellbeing, tourism, creating a sustainable environment, amongst many others.

## **7. Children and Young People's Impact Statement – Safeguarding and Wellbeing**

- 7.1 Not applicable.

## **8. Local Member(s)**

- 8.1 The recommendation is relevant to all Members and all parts of the County

## **9. Other Front Line Services**

- 9.1 The Scheme leads to applications being submitted to the Economic Regeneration Team

## **10. Support Services (Legal, Finance, HR, ICT, BPU)**

- 10.1 Continuation of existing process.

## **11. Local Service Board/Partnerships/Stakeholders etc**

- 11.1 The report explains how partner organisations have been involved in the development and that the continuation of the grant schemes will support the recommendations set out in the Powys Regeneration Strategy.

## **12. Communications**

- 12.1 The continuation of the scheme will be addressed in conjunction with the Council's communications team

## **13. Statutory Officers**

- 13.1 The Strategic Director Law and Governance has no comment to make on the report.
- 13.2 The Strategic Director Finance and Infrastructure comments: "The Principal Accountant for community, skills and Learning comments that the funds have already been allocated to the projects set out in this report."

#### **14. Members' Interests**

14.1 The Monitoring Officer is not aware of any specific interests that may arise in relation to this report. If Members have an interest they should declare it at the start of the meeting and complete the relevant notification form.

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| <b>Recommendation:</b>  | <b>Reason for Recommendation:</b>                                       |
| <b>To approve the funding allocation for both schemes as set out above.</b> | <b>To facilitate the delivery of regeneration actions in the County</b> |

|                               |          |                       |          |
|-------------------------------|----------|-----------------------|----------|
| <b>Relevant Policy (ies):</b> |          |                       |          |
| <b>Within Policy:</b>         | <b>Y</b> | <b>Within Budget:</b> | <b>Y</b> |

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|----------------------------------|--|
| <b>Relevant Local Member(s):</b> |  |
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| <b>Person(s) To Implement Decision:</b>         | <b>Wynne Jones - Portfolio Holder</b> |
| <b>Date By When Decision To Be Implemented:</b> | <b>1 May 2012</b>                     |

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|------------------------------|--------------|-------------|--|
| <b>Contact Officer Name:</b> | <b>Tel:</b>  | <b>Fax:</b> | <b>Email:</b>  |
| Karen Lewis                  | 01639 844407 |             | <a href="mailto:Karen.lewis@powys.gov.uk">Karen.lewis@powys.gov.uk</a> |