

Chichester District Council

THE CABINET

9 January 2018

Supporting New and Existing Businesses

1. Contacts

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2. Recommendation

2.1 That the Cabinet approves:

- (a) The continuation of the Enabling Grant Scheme for new and existing small businesses as set out in section 4.1 of the agenda report supported by £71,428 allocated from the Pooled Business Rates Fund and that the Head of Commercial Services be authorised to approve grants under the Scheme.
- (b) The allocation of additional funding for Chichester District Council's Choose Work Programme as set out in section 4.6 of the agenda report supported by £32,000 from the Pooled Business Rates Fund be implemented.
- (c) A record of all grants allocated under the Enabling Grant and Shop Front Improvement Grant Scheme be reported to the Grants and Concessions Panel to ensure co-ordination of the approval processes.

2.2. That the Cabinet recommends the Council to approve:

- (a) The establishment of the Shop Front Improvement Grant Scheme and Provision of Retail Training for independent retailers as set out in sections 4.2 to 4.5 of the agenda report supported by £168,800 allocated from the Pooled Business Rates Fund and (b) the authorisation of the Head of Commercial Services to approve shop front improvement grants under the Scheme.

3. Background

Enabling Grant Scheme

- 3.1 Between 2005 and 2009 the Council operated an 'Enabling Grant Scheme', which offered small match-funded grants to small businesses for a variety of items. In September 2013, £51,000 was secured from WSCC KickStart funding

to re-establish the scheme and in late 2016 £71,428 was secured from the pooled business rate fund to offer the scheme in 2017.

- 3.2 Over the years the scheme has benefitted over 400 businesses across the District, with many seeing their business turnover increase, some by up to 50%. This has created economic growth and new job opportunities in the District.
- 3.3 Each round of the scheme has been administered within the Council's Economic Development Service and an important aspect of the scheme is that it is easy to access.
- 3.4 Following the success of the latest round, a further application to the Pooled Business Rates Fund, in conjunction with the other West Sussex districts and boroughs, has been approved, with the Council securing a further £71,428 to continue the scheme in 2018.

Shop Front Improvement Grant and Provision of Retail Training

- 3.5 While the enabling grant scheme has proved very popular with small businesses there has been lower take up by the independent retail sector. Reasons for this are varied but feedback from the sector suggests that independent high street businesses would welcome bespoke training which specifically focusses on how they can improve their own individual businesses.
- 3.6 In 2008 a three year programme in Midhurst and Selsey was run which targeted 'inside and out' refurbishment for independent retailers. Funded jointly by SEEDA and the Council, shopkeepers were able to apply for a grant to have their shop fronts renovated, but they also had to undergo merchandising training and a business health check. The purpose of this approach was to ensure that retailers were able to take a fresh look at their business and were armed with the skills to improve their store and attract new customers.
- 3.7 This training was extremely well received by businesses and the work undertaken encouraged other shops, which were not part of the scheme, to redecorate. The feedback showed that the training helped recipients to view their businesses differently, increased their confidence and, importantly, increased sales, with increases varying from 5% to 100%.
- 3.8 Retail has changed substantially over the last decade. Businesses face numerous new challenges and many independent retailers are struggling to survive whilst the general public are increasingly critical of town centres with perceived dwindling numbers of independent businesses. Very few independents can afford the rents in primary locations so are often located in secondary locations.
- 3.9 These locations have lower footfall so it is important for businesses to be able to maximise sales opportunities and to increase their conversion rates. Visual merchandising, window displays, buying and store management all combine with customer service to make sales, but many independent businesses struggle to find the support and training in these areas which the multiples are able to deliver to their stores.

- 3.10 Following an application to the Pooled Business Rates Fund in conjunction with four other West Sussex districts and boroughs, the Council has secured £168,800 to establish a new Shop Front and Training scheme.

Choose Work Programme

- 3.11 Since its inception in January 2013, the Council's Choose Work Programme has been, and continues to be, very successful, delivering well over 200 work placements, helping 98 local residents back into work, with an estimated saving to the public purse of £805,462
- 3.12 The project is currently funded in partnership between CDC and the Department for Communities and Local Government Communities Fund programme until end of March 2020
- 3.13 Following an application to the Pooled Business Rates Fund in conjunction with four other West Sussex districts and boroughs, the Council has secured a further £32,000 to contribute to the total project funding.

4 Proposal

Enabling Grant Scheme

- 4.1 The Enabling Grant Scheme will continue throughout 2018 on the same simple-to-operate and easy-to-access basis. Each applicant will be eligible for up to 50% of the total cost of their project, subject to a maximum of £2,500 for capital projects and a maximum of £1,500 to assist apprenticeship training.

Shop Front Improvement Grant & Provision of Retail Training

- 4.2 Fully funded bespoke retail training will be offered to independent business in the District's 'high streets' – to include Chichester, Midhurst, Petworth and Selsey.
- 4.3 The training will start with facilitated retail workshops. These workshops will be focussed on generating ideas for businesses to convert footfall into sales and on the associated developmental challenges businesses will face. The workshops will be offered in the City and in each of our three market towns, and there will be up to 6 workshops in each area for businesses to choose from.
- 4.4 Following this, bespoke individual rapid improvement sessions will be offered, comprising in-store training by an independent retail training specialist to establish ways to improve performance and to ensure that all commercial opportunities are being identified and acted upon.
- 4.5 Each business undertaking the training above will be eligible to apply for a grant to refurbish and improve their shop front. The grant available will be up to 75% of eligible costs, subject to a maximum contribution of £4,000.

Choose Work Programme

- 4.6 The funding will enable Choose Work to strengthen one strand of its work to help businesses engage better with schools and colleges. We will stage a major 'jobs fair' during 2018, bringing employers and job-seekers together. The funding will also assist with establishing 'employability hubs' in selected locations across the District to build on existing partnerships, enabling even more people to access our career support workshops and drop-in sessions.

5 Outcomes to be Achieved

- 5.1 To create jobs and growth by:

- giving small businesses the confidence to try something new
- enhancing the entrepreneurial culture within the District
- increasing access to new markets for small businesses
- increasing apprenticeships across the District
- assisting individuals who are currently out of work
- making a difference to the viability, success and growth potential of at least 40 existing small businesses and 100 independent retailers
- encouraging landlords and tenants to refurbish and improve city and town centre shop fronts

- 5.2 The application forms will ask applicants to state their intended outcomes, jobs created, business turnover, profit enhancements, etc. The Council will then carry out a post-project evaluation to measure the outcomes. Regular updates will be coordinated with the other participating districts and boroughs to provide updates on grants awarded, match-funding secured and jobs created.

6 Alternatives Considered

- 6.1 Do nothing. With funding available this is not considered appropriate.

7 Resource and Legal Implications

- 7.1 The total budget of £272,228 will be funded from the Pooled Business Rates Fund. CDC will receive the funding in advance of the commencement of the schemes. At least £71,428 will be invested as match funding by businesses securing enabling grants, and at least £30,000 will be invested as match funding by independent retailers securing shop front improvement grants.
- 7.2 The scheme will be administered by the Economic Development Service and no additional resources are required.
- 7.3 The shop front improvement grant scheme and provision of retail training is being coordinated county-wide by the Council's Economic Development Service. The enabling grant scheme is being coordinated county-wide by Arun District Council's Economic Development Service. The additional funding for Choose Work is being coordinated county-wide by Horsham District Council's Economic Development Service.

8 Community Impact and Corporate Risks

- 8.1 Each scheme supports the objectives of the Council's Corporate Plan and Economic Development Strategy. The provision of retail training and shop front improvement grants supports the Visions for Chichester City Centre, Petworth, Selsey and Midhurst. Choose Work is a key project under Chichester in Partnership's 'Getting People into Work' Strategy.

9 Other Implications

	Yes	No
Crime and Disorder		✓
Climate Change		✓
Human Rights and Equality Impact		✓
Safeguarding		✓
Other		✓

10 Appendix

None

11 Background Papers

None