

Lichfield District Small Business Grant Scheme

Round One submissions

Cabinet Member – Cllr Ian Pritchard

Date: 18th January 2019

Agenda Item:

Contact Officer: Jonathan Percival

Tel Number: 01543 308149

Email: Jonathan.percival@lichfielddc.gov.uk

Key Decision? No

Local Ward All

Members

**CABINET
MEMBER
DECISION**

1. Executive Summary

- 1.1 This report provides information on the small business grant scheme being delivered across Lichfield District. It outlines the criteria of the scheme, a summary of applications under the first round of bidding and the recommended allocations of monies.

2. Recommendations

- 2.1 That the cabinet member approves the allocation of funding for the Lichfield District Small Business Grant Scheme's first round to the project bids detailed in the report.

3. Background

- 3.1 The Lichfield District Small Business Grant Scheme was approved by Lichfield District Council's cabinet on the 20th November 2018 and commenced shortly afterwards. The scheme offers grants of between £500 to £1,500 to assist local small businesses and start-ups looking to overcome financial barriers to growth.

To be eligible, applicants must:

- Where a business is not already established, want to become self-employed and set up a business in Lichfield District, or
- Be a small business (up to 10 employees) in Lichfield District who have been trading for no more than three years.

- 3.2 Grant is available to meet the following types of costs to business:

- Marketing purposes
- ICT software and hardware
- Office equipment e.g. laptop, desks, chairs
- Professional qualifications or training e.g. ISO, professional body membership
- Equipment to support product or process development and business growth

- 3.3 Businesses who are seeking to access this funding must have first received support provided by the GBSLEP Enterprise for Success programme. The programme encourages new business start-ups and helps young businesses grow and thrive by offering a range of business workshops with individual business support sessions. The support provides valuable information for applicants to strengthen their business model and strategy, and develop a strong business plan, which is a supporting document in the application process, to positively influence the company's long term survival.

3.4 Applicants must submit the following supporting documents with a completed and signed application form:

- A business plan
- 2 years of financial projections

Each application is assessed against a scoring criteria, detailed in **Appendix 1** based on meeting the aim of the scheme, to support business and employment growth and help to deliver the priority of a vibrant and prosperous economy.

3.5 In round one, eight applications were submitted from businesses located throughout the district at varying stages of their business life, from business ideas to young businesses which have been trading for a year. Companies from different sectors have applied such as sales and marketing training, IT recruitment, virtual assistants and personal hearing care. The start-up businesses which have requested a grant are within the fields of personal matchmaking, holistic therapy and natural product businesses, and the skincare industry.

Appendix 2 provides a summary of applications received for grant funding within the first round, which contains the following information:

- Business name
- Location
- Business background
- Project proposal
- Costs the grant is to go towards: overall project cost
- Amount of grant requested

| | |
|--|--|
| Alternative Options | 1. The Council could decide not to fund any or only some of the applications however this would not be in line with the agreed purpose of the scheme or the judgements reached having assessed the bids against the agreed criteria. |
| Consultation | 1. Consultation on the formulation of the Small Business Grant Scheme was undertaken prior to agreement of the proposals by Cabinet and included consideration by the Economic Growth, Environment and Development (Overview and Scrutiny) Committee. |
| Financial Implications | <p>1. The scheme is based on funding of £20,000 per annum for an initial three year period. The annual allocation has been subdivided into quarterly bidding rounds of £5,000. Due to the scheme commencing halfway into the financial period of 2018/19, rounds one and two will share the £20,000 funding i.e. Two rounds of £10,000.</p> <p>2. Officer time is required with regards to:</p> <ul style="list-style-type: none"> - Answering enquiries and administration of the scheme - Processing applications - Marketing and promotion |
| Contribution to the Delivery of the Strategic Plan | <p>1. The small business grant scheme shall contribute to the priority of a vibrant & prosperous economy as it supports opportunities for local business growth, self-employment and job creation.</p> <p>2. The priority of healthy and safe communities is supported through local</p> |

| | |
|--|--|
| | resident's economic wellbeing being improved by the financial resource strengthening local employment, less unemployed residents and business growth creating less financial concern for local residents involved within the businesses. |
|--|--|

| | |
|---|--|
| Equality, Diversity and Human Rights Implications | 1. The small business grant scheme by Lichfield District Council provides the opportunity for job creation to be undertaken by businesses looking to expand who have received support by the scheme. The initial process for the scheme of receiving strategic business support, pre or post start, from the Enterprise for Success programme assists the long term growth and survival of local businesses. |
|---|--|

| | |
|-----------------------|----------|
| Crime & Safety Issues | 1. None. |
|-----------------------|----------|

| | Risk Description | How We Manage It | Severity of Risk (RYG) |
|---|--|--|------------------------|
| A | Lack of uptake within the grant scheme by local businesses. | By promoting the scheme on all communication platforms, to local business groups and strategic partners to establish wide publicity, and making sure it's a simple process for businesses looking for support. | Yellow |
| B | Popularity of the scheme and grants requested overall being greater than the allocated amount per annum. | Grant allocation shall be established with the proposals which provide the most realistic positive impact on the local economy being recommended and granted, in line with the allocated amount per annum. | Yellow |
| C | No impact on business start-up and survival | To review the scheme making sure that amendments made from the initial scheme create a positive impact/outcome on business start-up and survival rates. | Yellow |
| D | Cost of administering and delivering scheme outweighs the benefits accrued to the economy. | By simplifying the administering of applications and undertake measures which will support the increase in popularity of the scheme to benefit the economy. | Yellow |

| |
|--|
| Background documents |
| Lichfield and Tamworth Business Survey 2015/16 |

Relevant web links

Lichfield District Small Business Grant Scheme - www.lichfielddc.gov.uk/sbg

Appendix 1: Scoring criteria details

Employment

- What is the potential to growth the number of people employed by the business over the next two years?

Growth

- Does the equipment applied for support delivery of the expected outputs & outcomes?
- What is the expected increase in cash flow in the next two years?
- How do they plan to increase cash flow?
- Does the application demonstrate a real barrier to growth?

Business Plan

- How do you view the projections (cash flow) in relation to the planned growth of the business?

Appendix 2: Lichfield District Small Business Grant Scheme Round One submissions

- 1. Domino Effect Workshops**
- 2. Touchscreen Talent Limited**
- 3. The Hand of Nature**
- 4. Aggrandise VA Limited**
- 5. Let Love Be**
- 6. Hear Works**
- 7. All Things Nice**
- 8. Lcylda Skincare**

1.

Business name: Domino Effect Workshops

Location: Handsacre

Business background:

Domino Effect Workshops run professional sales and marketing training for SME's currently via workshops and masterclasses and in the pipeline via online and print channels. They've been running successful workshops since June 2017, providing affordable sales and marketing training locally.

Project proposal:

The following items are looking to be purchased to support the growth of the business:

Projector and screen

The projector and screen will enable the business to be more independent with their venue choices. They are currently relying on the venue to provide projectors and screens, limiting venue choice and impacts when there is a charge to hire equipment. By owning their own equipment this allows flexibility, increase potential profit and a backup in case the venue's equipment fails.

Brand Identity

A logo currently isn't held by the company, a lack of logo is a stumbling block and would they would like to do more with their branding. By being able to use the logo and identity on social media, websites and other marketing collateral it will provide a memorable business identity.

Pull up Banner

A pull up banner is needed once a brand identity is created to display at events to help delegates understand other ways they are able to help them e.g. mentoring, additional courses etc. The pull up banner will help signpost people to their website for more information.

Portrait Photography

To develop some own personal branding into the marketing to utilise professional photographs, helping people identify and relate to the business owners, Colette and Wendy, before they meet clients, as the relationships built through their personalities help make the courses popular.

Costs the grant is to go towards:

Overall project cost: £1,500

Capital equipment

- Projector and screen - £550

Marketing purposes

- Brand identity: logo and banner - £450
- Portrait photography - £500

Amount of grant requested: £750 (50%)

2.

Business name: Touchscreen Talent Limited

Location: Lichfield City

Business background:

A recruitment information consultancy and talent attraction business. Touchscreen Talent Limited supply information on the IT and Digital industry to companies throughout the UK and find work for people in the IT industry covering both permanent and interim positions. This will include statements of work in the future. This is a method used to employ people directly and share the project costs with a client to share the risk and reward.

Project proposal:

The following items are looking to be purchased to support the growth of the business:

Linkedin Recruiter Licence

Purchase a licence from LinkedIn called a recruiter licence. This enables the company to reach people when they don't have their contact details for the company, becoming able to inform people about the jobs they have available. The licence allows the company to view an unlimited number of personal profiles, making vacant job opportunities easier to source for people. The licence allows more efficiency within the company, saving on manual tasks and having a richer database.

Recruitment Employment Confederation Membership

By becoming a member of the Recruitment & Employment Confederation (REC) this will elevate the companies profile and help differentiate from other similar firms in Lichfield. It is a recognised quality mark in the industry and well received by companies, also increasing the chances of being approached by companies rather than consistently hunting for new business.

Costs the grant is to go towards:

Overall project cost: £2,285

Professional qualifications or training

- LinkedIn Recruiter Licence - £1050 (first quarter payment)
- Recruitment Employment Confederation Membership - £1235 (Annual membership)

Amount of grant requested: £1142.50 (50%)

3.

Business name: The Hand of Nature

Location: Lichfield City

Business background:

The Hand of Nature is a holistic therapies business offering personalised natural treatments (massage, reflexology, aromatherapy, therapeutic massage, holistic facials, corporate massage and reiki) for those looking for a natural way to reduce stress and improve health and well-being – a sanctuary from everyday life where you can relax, take time out and concentrate on you.

Having just completed a “fertility and womb health massage” course the business owner would now like to specialize in this, drawing on personal knowledge and using the techniques learnt on the course to provide this therapy which physically and emotionally nurtures and nourishes and helps to reawaken and reconnect a woman with her body, her womb and her femininity.

Project proposal:

The funding is required to gain items to carry out this therapy as well as rebrand and outsource some aspects of the business such as social media content, marketing and regular email contact. By initially maximising these areas of the business using experts, it is hoped that this shall increase awareness of the business, attract more customers and increase revenue.

Alongside this the business owner will continue to offer my other therapies and as a Neal's Yard consultant, offer parties and attend events to sell their healthy, organic and ethical products.

1. Items to enable the business to carry out fertility and womb health massage
2. Marketing to enable them to target the right markets
3. Advertising – New leaflets and business cards, including a rebrand of the logo and information about fertility massage. Inclusion of articles in appropriate magazines.
4. Social media, website, article and blog content writing

Costs the grant is to go towards:

Overall project cost: £2,024

Capital equipment

- A saddle stool knee bolster - £107
- A wheeled trolley - £22

Marketing purposes

- Creating a website - £300
- Create a marketing strategy – £250
- Content writing for the website - £500
- Rebranding - £100
- Advertising articles within Mama Life magazine - £495
- Advertising – leaflets and business cards - £250

Amount of grant requested: £1,012 (50%)

4.

Business name: Aggrandise VA Ltd

Location: Burntwood

Business background:

Aggrandise VA is a first class virtual assistant service provider for SME business owners, individuals and entrepreneurs. They take on the daily, mundane, time consuming tasks, such as administration work, that take business owners time away from what's important in their businesses, income generating tasks.

Project proposal:

The business proposes to use their grant towards making connections with other business owners, where they can market themselves, with the best way to showcase themselves, other than through social media, is at exhibitions.

A large budget for exhibitions is projected for 2019 and selected shows/conferences have been chosen to reach the target clients. In February and March we would like to spend £630 each on 2 exhibitions at the Midlands Business Networking events. Marketing material is also required for these exhibitions to help promote the business in the form of leaflets for visitors to take away. New office equipment is required to the demands of a growing client base with the current business owner using a shared computer and needs her own computer and business printer to best serve Aggrandise VA's clients. The grant will allow them to increase their network and therefore increase their client base.

Costs the grant is to go towards:

Overall project cost: £2,820.74

Marketing purposes

- Gold exhibition stand at Midlands Business Network February 2019 - £630
- Gold exhibition stand at Midlands Business Network March 2019 - £630
- 500 trifold leaflets - £118

Capital equipment

- Epson Printer - £311.96
- Dell Desktop computer and accessories - £1130.78

Amount of grant requested: £1,410.37 (50%)

5.

Business name: Let Love Be

Location: Armitage

Business background:

The business will be a dating agency for singles in Lichfield and local areas who are 25 years and older looking for a relationship or companionship.

The business owner will act as a personal matchmaker, guiding clients by providing a service that is offline, discreet and confidential. The owner does the analysis to find the client a match according to their type/preference. An initial telephone and face to face consultation with them and having a profile been established on the business database, a search shall be undertaken through the client database or singles headhunted and create a match. The business looks at the older generation who are now divorced, widowed, and seeking companionship/friendship for them. Overall, it is about creating love or friendship that will hopefully last for the long term.

Project proposal:

The grant shall go towards the purchase of start-up costs, in the form of capital equipment of a laptop and mobile phone, and marketing purposes through promoting and advertising the business in local newspapers/magazines, leaflets and business cards. The outcome is to increase profits over time, create awareness and develop a professional look for the business.

Costs the grant is to go towards:

Overall project cost: £1,075.25

Capital equipment

- Huawei P Smart Phone - £149
- Laptop - £499

Marketing purposes

- City Life Magazine Lichfield - £160, £45 per month, 4 advertisements over 4 months
- Village advertiser Magazine - £134.40 for 4 adverts
- Birmingham Live - £60
- Business cards - £16.85
- Leaflets - £56

Amount of grant requested: £537.62 (50%)

6.

Business name: Hear Works – DJG Audiological Services Ltd

Location: Handsacre

Business background:

Hear Works will offer personal hearing care, committed to providing an individual, professional hearing solution to improve the quality of life and wellbeing to a diverse range of people.

The complete journey/care plan will include:

- Micro-suction-Wax removal
- Otoscopy
- Pure Tone Audiometry/Tympanometry
- Lifestyle questionnaire
- Care Plan

Project proposal:

As the launch of the business is 18th January 2019, some equipment has already been ordered ready for the open day, for people to discuss their individual needs and then make appointments for a consultation.

The equipment applying for with the grant is a Tympanometer, which is a piece of equipment for measuring the middle ear pressure, as part of the diagnostic tests. It is particularly useful when making a diagnosis of conductive hearing loss, where referrals can be made for further investigation to Ear, Nose & Throat Departments, which may indicate they need surgery.

The business owner is an Audiologist who is able to offer this service, which is currently not provided in the high street by Hearing Aid Dispensers, and is planning on promoting it to GP practices, to help them with their care plans for patients.

Costs the grant is to go towards:

Overall project cost: £3000

Capital equipment

- Amplivox Otowave 102-4 Tympanometer, printer, PC port - £3,000

Amount of grant requested: £1,500 (50%)

7.

Business name: All Things Nice

Location: Wall

Business background:

The business will make homemade natural holistic products marketed for wellbeing, made in different ranges and products which contain aromatherapy oils known for creating positive effects on wellbeing. Aromatherapy oils, candles, sprays (household and scented) all work well and contain no harmful chemicals, with pet, household sprays and oils being pet friendly.

A recycle refill option is offered where the containers used can be refilled, reducing waste harmful to the planet. The candles only use recycled holders which are currently purchased from charity shops and boot sales then sterilised at home before filling with the aromatherapy-based products.

Project proposal:

The following items are looking to be purchased to support the starting up of the business:

Label Machines and Labels

A label machine enabling spray bottles and oils, and all products to look professional, ready for sale.

Aromatherapy Course

The aromatherapy course will benefit business as will show that the owner is qualified in the field when trying to promote products to customers and the business owner will have further knowledge to expand the product range.

Bottles, wax and oils (Additional stock)

The additional stock will allow the owner to make additional products for potential customers and add further stock to each of the ranges to promote, with a recycle refill option the stock purchasing will remain low.

Laptop

A laptop will enable the business owner to run the business from home and develop an enhanced web presence.

Website

A professional website will enable the business to sell further afield and take card payments.

Costs the grant is to go towards:

Overall project cost: £1129.85

Capital equipment

- Laptop - £589
- Label Machines and Labels - £136.88

Marketing purposes

- Website - £100

Professional qualifications or training

- A self-study aromatherapy course - £135.00

Equipment to support product or process development and business growth

- Bottles, wax and oils (additional stock) - £168.97

Amount of grant requested: £564.92 (50%)

8.

Business name: Icylda Skincare

Location: Lichfield City

Business background:

To make skin care products that can be used by all the family, which are an alternative that contain soothing agents and essential oils that are therapeutic, which can improve your well-being. The product range will be SLS (Sodium Lauryl Sulphate)-Free Shower/Bath gels and Body Butter Lotions. In the future the business owner would like to have a range of face washes, exfoliator and a face cream.

The aim is to have an alternative skincare range that can be used by males/females which is gentle on the skin.

Project proposal:

The grant will allow the resident to move on to the next stage of the business, getting the business up and running for trade by late January/early February 2019, having the equipment needed for the business to be successful.

The grant will go towards start-up capital equipment and a professional training course for aromatherapy.

Costs the grant is to go towards:

Overall project cost: £1,975.09

Capital equipment

- Wax Master wax heater - £53.94
- Etekcity Lasergrip 1080 infrared thermometer - £14.99
- John Lewis and Partners Hand Blender - £34.95
- Argos Murphy Richards Electric Hand Mixer (white) - £14.99
- Zecti Dimmable Studio Light Box - £25.99
- Home 2 Drawer Officer Chester Desk - £75.99
- Home Reade Mesh Gas Lift Office Chair – £31.99
- Dymo M5 USB Digital Postal Scale - £41.99
- HP Envy 4527 Wireless all in one Printer - £39.99
- 3 years replacement care – HP Envy 4527 printer - £10.99 (Argos)
- Epson colorworks C3500 Colour Label Printer – £1250.78
- Desktop Gloss Inkjet Paper Labels - £156.60
- Epson Colorworks C3500 Rainbow Ink Cartridge - £71.90

Professional qualifications or training

- Introduction to Aromatherapy – London (31st March 2019) - £150.00

Amount of grant requested: £987.54 (50%)

Overall round grant request breakdown

| <u>Project costs</u> | <u>Grant requested</u> |
|--------------------------|------------------------|
| 1) £1,500 | £750 |
| 2) £2,285 | £1,142.50 |
| 3) £2,024 | £1,012 |
| 4) £2,820.74 | £1,410.37 |
| 5) £1,075.25 | £537.62 |
| 6) £3,000 | £1,500 |
| 7) £1,129.85 | £564.92 |
| 8) £1,975.09 | £987.54 |
| Total: £15,809.93 | £7,904.95 |