



Officer Decision/Mayoral Decision No.:	ODN185-2020
DECISION TITLE: COVID-19 Micro Capital Grant Scheme	
NAME OF OFFICER/MAYOR EXERCISING DELEGATED POWERS: John T Hill, Director of Business & Skills	
DATE OF OFFICER/MAYORAL DECISION: 4th May 2020	

Responsible Director/Mayor:	<i>John T Hill, Director of Business & Skills</i>
Report Author and contact details:	<i>Steve Clarke Strategic Funds Manager Cambridgeshire & Peterborough Combined Authority Steve.clarke@cambridgeshirepeterborough-ca.gov.uk</i>
Is it a key decision?	YES
All reports will be published on the CA website. Does your report include exempt or confidential information?	NO
KEY DECISIONS ONLY	N/A
Insert forward plan ref number	
Date when Mayor intend to make decision.	
Date report published on the website	
Implementation Date	
Does the report have any annex that contains exempt information?	

Decision taken	<i>Please provide the exact details of the decision taken.</i> CA Board Approved 29/04/2020 Approve the creation of a £500k capital grant scheme aimed at supporting the smallest businesses in the CPCA area and delegate to the Director of Business & Skills, in consultation with the Mayor, the Section 73 Officer & the Monitoring Officer, the setting of detailed parameters and criteria for the scheme.
Authorisation (<i>delete as appropriate</i>)	This decision has been taken under: Specific delegation by Board (<i>those decisions delegated to officers by the Board</i>) 1. Specific delegation by CA Board



Background
Information

During this unprecedented period of difficulty caused by the COVID19 lockdown local businesses have been impacted adversely, there are a number of national schemes to support medium to large businesses and the CPCA has established a scheme to support SMEs directly. It was recognised that there was a gap in support specifically for sole traders and small businesses with no more than 5 FTE employees. The scheme has been designed to plug this gap in a small way.

Administration: *a clear process is in place supported by HubSpot:*

Funding Eligibility Criteria: *We have established a very specific set of criteria to target the businesses who have had the least support during the crisis, those being:*

- *Sole traders or small business*
- *Employing no more than 5 FTE employees*
- *Less than €48m turnover*
- *No need to be a registered company*
- *No requirement to be VAT registered*
- *Purchasing outright equipment that will support their business or enable them to refocus their business*
- *Grant requests between £2k & £5k and no more than 80% of total costs*

The application form requests information to support the grant request and the subsequent external assessment:

Legal & Finance Comments: *We have developed a series of forms to support the scheme, all attached as Appendices. These forms have been scrutinised by our legal team and finance team; they are a replica of the current COVID Scheme. The final Grant Offer Letter has been formally approved by Peter Geach. The finance forms are the standard forms used by the Local Growth Fund:*

- *Vendor Form – which captures bank account details – this form is checked by the Finance Team prior to any claims being paid*
- *Claim Form – this form is checked and authorised by the grant team and is accompanied by receipts to the value of the claim. This form is then passed on to the Finance Team for processing.*

There is concern that there may be a high number of financial forms, we acknowledge this, but it should be noted that these will be one off payments and not repeat payments.

We are using HubSpot to manage the scheme, this enables all enquiries to be automatically managed and information stored as it acts as a CRM system as well.

Diligence checks on applicants: *We have engaged Due Diligence externally, thus giving us a transparent method of appraising applications and decision making. The external team will make their recommendations based on the viability of the business and the prospects that the capital funds will support it into the future. They will also check for any issues that may arise around State Aid if applicable to the business's application.*

The Diligence Report details the areas that are checked for each application, they include:

- *Companies House check if applicable*
- *Accounts/Book Keeping records for at least 1 year*
- *Expected Turnover for 2020/21 & 2021/22*
- *Invoice/Quote for the equipment being purchased*
- *State Aid issues if applicable*
- *Credit Check*
- *Bankruptcy check*



	<ul style="list-style-type: none"> • CCJs • Dissolved businesses & Directorships <p>Monitoring: we have established a process to monitor the impact of the grant in 6 and 12 months time, the Grant Offer Letter includes this clause. The Grant Evaluation Form is attached as an Appendix. The grant has been designed to support the growth of the region through business sustainability and fit with the assurance around the Gainshare Fund.</p>														
Alternative options considered.	<p>List alternative options considered and rejected and the reasons for rejection. Do not leave this section blank or put 'None'. There is always an alternative even if it is to do nothing.</p> <p>1. There are no alternative options available to these businesses</p>														
Financial Implications	<p>Please include the total costs and how the project will be funded. Please include budget codes for your directorate</p> <p>A £500,000 pot has been identified from Gainshare to fund the scheme. Staff have been directed towards establishing the scheme for the Local Growth Fund and local partners with staff furloughed or on reduced duties have volunteered to assist.</p> <p>We have identified the requirement for external due diligence for the scheme which will be at a cost of £500 a day, we are not sure how many assessments will be carried out each day, this will depend on the quality of applications. We are looking at how we can reduce the impact the cost of assessment will have on the pot of £500k</p> <p>We have identified that there will be an impact on other teams within CPCA in particular Finance, the processes we have in place we hope will reduce this impact to a minimum but there is still a requirement to check every bank account and process each claim for every application</p>														
Consultation	<table border="1"> <tr> <td data-bbox="435 1451 1011 1574">List any relevant consultation undertaken in relation to the decision. For example, portfolio holders, other Chief Officers.</td> <td data-bbox="1011 1451 1497 1574">Name and Date approved (or indicate if not applicable) –</td> </tr> <tr> <td data-bbox="435 1574 1011 1619">Chief Executive</td> <td data-bbox="1011 1574 1497 1619">N/A</td> </tr> <tr> <td data-bbox="435 1619 1011 1664">Responsible Director/Chief Officer</td> <td data-bbox="1011 1619 1497 1664">John Hill, 4 May 2020</td> </tr> <tr> <td data-bbox="435 1664 1011 1709">Monitoring Officer</td> <td data-bbox="1011 1664 1497 1709">Robert Parkin, 5/5/20</td> </tr> <tr> <td data-bbox="435 1709 1011 1753">S73</td> <td data-bbox="1011 1709 1497 1753">Jon Alsop, 5/5/20</td> </tr> <tr> <td data-bbox="435 1753 1011 1798">Portfolio Holder</td> <td data-bbox="1011 1753 1497 1798">Mayor James Palmer, 4 May 2020</td> </tr> <tr> <td data-bbox="435 1798 1011 1832">Other</td> <td data-bbox="1011 1798 1497 1832"></td> </tr> </table>	List any relevant consultation undertaken in relation to the decision. For example, portfolio holders, other Chief Officers.	Name and Date approved (or indicate if not applicable) –	Chief Executive	N/A	Responsible Director/Chief Officer	John Hill, 4 May 2020	Monitoring Officer	Robert Parkin, 5/5/20	S73	Jon Alsop, 5/5/20	Portfolio Holder	Mayor James Palmer, 4 May 2020	Other	
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Declarations / Conflicts of Interests (only if the decision falls under the 'Express Authorisation' category)	<p>List the names of any member who has been consulted on and declared an interest in relation to the decision.</p> <p>None to be noted</p>														



Supporting documentation	<p><i>List any supporting documentation available in relation to this decision (all of this information must be retained for public inspection for a period of at least 4 years – there is no provision for the release of exempt/confidential information).</i></p> <ul style="list-style-type: none">• <i>Scheme Application Form</i>• <i>Scheme Guidance for Applicants</i>• <i>Scheme Assessor Report</i>• <i>Scheme Grant Agreement Letter</i>• <i>Evaluation Form</i>
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Officer/Mayor signature	John T Hill – Director of Business & Skills 	Date 4th May 2020
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***Once signed please file in the electronic file Documents/Governance/ office decision notice and enter details in the register.
If a public report, pass to Democratic Services and we will arrange publication.***