

TONBRIDGE & MALLING BOROUGH COUNCIL
ECONOMIC REGENERATION ADVISORY BOARD

18 May 2021

Report of the Chief Executive

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 GREEN BUSINESS GRANTS SCHEME

This report follows on previous reports on the Business Rates Retention Pilot Programme and sets out the next steps in bringing forward a Green Business Grants Scheme that is proposed to launch in July 2021.

1.1 Background

1.1.1 At the November 2020 Advisory Board meeting, a report was approved that set out an overview of a programme of initiatives that will be established using the Business Rates Retention Pilot funding. One of the initiatives within the programme was the setting up of a Green Business Grants Scheme that supported our green sector, supported sustainable growth in the local economy and met the objectives of the Borough Council's Climate Change Strategy.

1.1.2 Following on from this, at the February 2021 Advisory Board, it was indicated that some of the Additional Restrictions Grant (ARG) funding could potentially be used to top up a fund towards Green Business Grants, should there be any left over once the National Restrictions had passed. Unfortunately, since this meeting Central Government has tightened up the timescales and scope of the ARG fund meaning that this is no longer feasible. However, in the most recent ARG round (Restart Grants), 'businesses in the green economy' were highlighted as a priority sector in recognition of the support that the Advisory Board had for this sector at that meeting.

1.1.3 As such, whilst the ARG has been used to support businesses in the green economy, the fund hasn't been directly used to top up the £150,000 reserve allocated from the Business Rates Retention Pilot.

1.2 Green Business Grant Scheme - Overview

1.2.1 Since the last advisory board meeting, the Economic Regeneration Team has undertaken some additional research to ensure that there is sufficient potential interest in the scheme and that it adds value to the support already available in supporting the green business agenda.

1.2.2 Whilst one can never be entirely certain until the scheme goes live, the conclusion of this work is that there would be merit in launching a Green Business Grant Scheme for businesses in the borough, as the scheme will link in with other support in the local area. A key example is the Lower Carbon Across the South East (LoCASE) initiative, which has just been allocated additional resources to continue operating until May 2023. The LoCASE team are very supportive of the Green Business Grant Scheme and have identified two key areas where it can add value to the wider support to the Green economy and low carbon agenda:

- The grants that the LoCASE scheme distributes are at a maximum intervention rate of 40% (up to £10,000), meaning the business has to identify 60% of the total cost. In many instances, this is sufficient to deter potential applications coming forward. Where feasible, the use of the Green Business Grant Scheme to act as a top-up could be the difference between a project progressing or not.
- Under the LoCASE scheme, there is also a minimum grant award level of £1,000. The LoCASE team do get a number of enquiries from businesses looking for micro-grants of around £500-750 that they are unable to award, so if the Green Business Grant Scheme had no lower limit, then these businesses could be supported.

1.2.3 The intention would be to have two elements to this scheme:

Part 1 - Supporting the Green Economy:

- Specifically aimed at businesses in the Low Carbon and Environmental Goods and Services (LCEGS) economy to help build short-term resilience and provide the foundations for future growth.
- Under the LCEGS definition (as produced by BEIS), businesses must fall under one of the following sectors:

Environmental	Renewable Energy	Low Carbon
Air Pollution	Biomass	Additional Energy Sources
Contaminated Land	Geothermal	Alternative Fuel/Vehicles
Environmental Monitoring	Hydro	Alternative Fuels
Environmental Consultancy	Photovoltaic	Building Technologies
Marine Pollution Control	Wave and Tidal	Energy Management
Noise and Vibration Control	Wind	Carbon Capture and Storage
Recovery and Recycling	Renewable Consulting	Carbon Finance
Waste Management	Additional Energy Sources	
Water Supply and Waste Water Treatment		

- Grant support of up to £8,000 to contribute up to 40% towards any of the following activities that support resilience and growth:
 - i) Research & Development
 - ii) Physical infrastructure – including new premises to accommodate growth or improvement to existing premises.
 - iii) Equipment and Machinery
 - iv) Promotion and Marketing
 - v) Digital/IT support
- It is proposed that £90,000 (60%) from the £150,000 be initially allocated to this element of the scheme, but this will be reviewed within the first 6 months and altered subject to the level of interest and take-up.

Part 2 – Reducing the Carbon Footprint of the Local Economy

- Aimed at Tonbridge and Malling based businesses that are growing and yet looking to improve their energy efficiency and reduce the environmental footprint of their commercial premises, with a specific focus on businesses in the following sectors that fall outside of the LCEGS definition:
 - i) Food Production
 - ii) Tourism and Hospitality
 - iii) Distribution and Logistics
 - iv) Construction
 - v) Independent Retail
- Grant support of up to £5,000 to contribute up to a maximum of 40% towards any of the following activities:
 - i) Physical Infrastructure – energy efficiency measures to existing commercial premises.
 - ii) Equipment and Machinery – that improves the energy efficiency.
- It is proposed that £60,000 (40%) from the £150,000 be initially allocated to this element of the scheme, but this will be reviewed within the first 6 months and altered subject to the level of interest and take-up.

1.3 Proposed Next Steps

1.3.1 It is proposed that this scheme is launched in July 2021 and promoted through the following channels:

- TMBC Social Media and website
- T&M Business E-Bulletin

- Existing 'Green Business' networks
- Business Representative Organisations such as Kent Invicta Chamber of Commerce and the Federation of Small Businesses

1.3.2 The 'window for applications' would be open for around a four-week period, after which initial assessments and recommendations would be undertaken by the Economic Regeneration team in consultation with other officers. These recommendations would then go to the Leader of the Council, the Cabinet Member for Finance, Innovation and Property, and the Cabinet Member for Economic Regeneration to consider the recommendations and make funding decisions. Businesses would then be informed of the decision, and where a grant has been awarded, a six-month period given with which to deliver the project and then claim the funding.

1.3.3 The calls for applications would then continue on a regular basis until the funding has been allocated.

1.4 Legal Implications

1.4.1 There are no legal implications arising from this report.

1.5 Financial and Value for Money Considerations

1.5.1 £150,000 has been allocated towards this project from the Business Rates Retention Pilot reserve.

1.6 Risk Assessment

1.6.1 Not applicable

1.7 Equality Impact Assessment

1.7.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.8 Recommendations

1.8.1 That the contents of this report **BE NOTED**.

1.8.2 That permission to deliver a Green Grant Scheme **BE APPROVED** with a view to launching this initiative before the end of June 2021.

1.8.3 That decisions on applications **BE DELEGATED** to the Leader of the Council, the Cabinet Member for Finance, Innovation and Property, and the Cabinet Member for Economic Regeneration.

The Cabinet Member for Economic Regeneration and the Chief Executive confirm that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

Nil

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