



Item: 15

Development and Infrastructure Committee: 10 September 2024.

Economic Development Grants and Cost of Living Crisis Business Support Schemes.

Budget Monitoring Statement and Delegated Approvals.

Report by Corporate Director for Enterprise and Sustainable Regeneration.

1. Overview

- 1.1. In March 2024, the Council approved the revenue budget for financial year 2024/25. This included an initial Economic Development Grants budget of £300,400, along with the capability to over-commit by 5%, which increased the budget to £315,400.
- 1.2. Spending to 30 June 2024, in relation to Economic Development Grants totalled £65,797, of which £46,948 relates to grant commitments made in previous financial years and £18,849 to current year commitments.
- 1.3. The budget available for approval from the Economic Development Grants budget as at 30 June 2024, amounted to £174,611, as detailed in Annex A to this report.
- 1.4. Grant approvals made in the period 1 April to 30 June 2024 totalled £140,789, including grants approved under delegated schemes for the same period totalled £100,789, and are detailed in Annex B to this report.
- 1.5. On 21 February 2023, the Policy and Resources Committee recommended that the following Cost of Living Crisis Business Support Schemes should operate for a period of two years to 28 February 2025, funded from the unassigned remaining balance of the Coronavirus Response Fund, estimated at £1.3 million, and reported to the Development and Infrastructure Committee in addition to standard reporting of Economic Development Grants budget monitoring:
 - Council Business Hardship Support Grant (BHSG).
 - Council loan facility.
 - Energy resilience and transition support.
 - Exceptional requests.

- 1.6. Approvals made in the period 1 April to 30 June 2024, totalling £120,000, in respect of Cost of Living Crisis Business Support Schemes, are summarised in Annex C to this report.

2. Recommendations

- 2.1. It is recommended that members of the Committee:
 - i. Note spending to 30 June 2024, in relation to Economic Development Grants totalling £65,797, of which £46,948 relates to grant commitments made in previous financial years and £18,849 to current year commitments.
 - ii. Note grant approvals made in the period 1 April to 30 June 2024 totalling £140,789, including grants approved under delegated schemes for the same period, totalling £100,789, as detailed in Annex B to this report.
 - iii. Note approvals made in the period 1 April to 30 June 2024, totalling £120,000, in respect of Cost of Living Crisis Business Support Schemes, as summarised in Annex C to this report.

3. Exempt and/or Confidential Information

- 3.1. Under Section 50A(4) of the Local Government (Scotland) Act 1973, the public should be excluded from the meeting in respect of any discussion relating to Annexes B and C to this report. Annexes B and C contain exempt information as defined in paragraph 4 of Part 1 of Schedule 7A of the Act.

For Further Information please contact:

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Implications of Report

1. **Financial:** Financial implications are detailed in the report and annexes to the report.
2. **Legal:** Budget monitoring procedures help the Council meet its statutory obligation to secure best value.
3. **Corporate Governance:** Approval of applications for financial assistance from Economic Development schemes of assistance which are within policy guidelines is delegated to the Corporate Director for Enterprise and Sustainable Regeneration.
4. **Human Resources:** There are no implications from this report
5. **Equalities:** An Equality Impact Assessment is not required in respect of financial reporting.

6. **Island Communities Impact:** An Island Communities Impact Assessment is not required in respect of financial reporting.
7. **Links to Council Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:
 - Growing our economy.
 - Strengthening our Communities.
 - Developing our Infrastructure.
 - Transforming our Council.
8. **Links to Local Outcomes Improvement Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:
 - Cost of Living.
 - Sustainable Development.
 - Local Equality.
9. **Environmental and Climate Risk:** There are no specific implications arising from this report.
10. **Risk:** There are no specific implications arising from this report.
11. **Procurement:** There are no specific implications arising from this report.
12. **Health and Safety:** There are no specific implications arising from this report.
13. **Property and Assets:** There are no specific implications arising from this report.
14. **Information Technology:** There are no specific implications arising from this report.
15. **Cost of Living** The report includes details of grant award commitments made during the period to 30 June 2024, some of which could contribute to addressing negative impacts of cost of living on Orkney business and wider community interests.

List of Background Papers

None

Annexes

Annex A: Budget Available for Approval, as at 30 June 2024.

Annex B: Approvals for Year to 30 June 2024, including applications approved under delegated powers.

Annex C: Cost of Living Crisis Business Support Schemes: Funding summary as at 30 June 2024.

Budget Available for Approval as at 30 June 2024.

| Budget Available for Approval. | £. | £. |
|---|-----------|-----------|
| Annual Budget. | | 315,400. |
| Less spending: Previous year commitments (note 1). | 46,948. | |
| Less spending: Current year commitments (note 2). | 18,849. | |
| Ledger totals as at 30 June 2024. | | 65,797. |
| Current year commitments: Grants approved to date (note 3). | 140,789. | |
| Current year commitments: Less current year spending. | (18,849). | |
| Current year commitments outstanding (note 4). | | (121,940) |
| Economic Development Grant Fund: Add back previous year commitment. | | 46,948. |
| Current budget available for approval. | | 174,611. |

Note on terminology:

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|--|---|
| 1. Spending: Previous year commitments. | Spending made in 2024/25 for grants approved in 2023/24 and earlier. Funded by transfer from Economic Development Grant Fund. |
| 2. Spending: Current year commitments. | Spending made in 2024/25 in relation to grants approved in 2024/25. |
| 3. Grants approved to date. | Total grants approved in 2024/25. |
| 4. Current year commitments outstanding. | Balance still due to be paid on grants approved during 2024/25 transferred to Economic Development Grant Fund. |