



## Delegated Officer Report

**Decision Maker:** Cllr Arooj Shah, Cabinet Member for Neighbourhood Services  
Helen Lockwood, Deputy Chief Executive, People & Place.

**Date of Decision:** 12 June 2019

**Subject:** Award of a Business Improvement Grant in the Failsworth A62 Corridor

**Report Author:** Liz Kershaw, Principal Regeneration Officer

**Ward (s):** Failsworth East and Failsworth West

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**Reason for the decision:** The purpose of the report is to seek approval to award a Business Improvement Grant in the Failsworth A62 Corridor.

**Summary:** The Council recognises the important role that independent businesses play in sustaining the vibrancy and vitality of our high streets. On the 18<sup>th</sup> November 2013, Cabinet approved a scheme to provide business support to sustain and grow independent businesses in the Yorkshire Street/Union Street East area of Oldham. This was followed by approval on 21<sup>st</sup> July 2014, of a second phase of that initiative to introduce the scheme to Shaw and Lees District Centres and a third phase approved in 15<sup>th</sup> December 2014 to extend the scheme to the Failsworth A62 corridor.

Independent businesses are particularly important to our District Centres where they help to create a strong sense of local identity and customer loyalty and trust. District Centres are often the location for family businesses that have been trading for long periods of time – many of them for a number of decades. Improvements to the exterior of key buildings including fascia's and shop fronts can both uplift an area and the visitor's perception of the District Centre and assist in attracting new independents. The Business Improvement Grant scheme provides discretionary grants of 50% of the capital costs of improvements, up to a maximum of £8,000.

Eligible works include external improvements and décor to the external façade, shop fronts, signage, and on a discretionary basis internal fit out costs can be considered.

A local grant review panel consisting of three nominated ward members from the Failsworth East and Failsworth West wards has been set up to review any grant applications and provides a recommendation as to whether to approve, vary or reject. The Panel review the applications by email.

The following application has been received and is recommended for approval.

**M Group Manchester Ltd, 485 Oldham Road, Failsworth**

This company occupies the former Fentons Solicitors building in a prominent location on Oldham Road. The company is a local family run construction company that was formerly known as Failsworth Electrical. They have occupied these premises for just over a year and have already invested in upgrading part of their building as their head office and sub-letting small office units on the first and second floor.

The reason for their application is that ½ of the ground floor is empty and in a state of disrepair. They would like to convert this space into a conference/meeting room that could also be used for training of their employees. Currently, they have to train staff members and have meetings within the main office area which is not ideal. The new meeting room facility would enable the business to have a dedicated space to allow for in house training and meetings with clients etc and also free up space for additional staff to be recruited and work from the main office area as there currently isn't enough space to allow for this. They would also like the other occupants of the building to be able to use it and also other local businesses who require a space for meeting/training. They would also allow community groups and charities to also use the room.

The room is uninhabitable at present and needs rewiring, stud walls and plastering, new doors and wc/kitchenette facilities as well as all electrical works and new ceiling and decorating and new flooring. They have got three quotations from local companies and based on the lowest quote of £9,713, the business would like to apply for a grant of £4,856.50.

The applicant is aware that Building Regulations approval is required, and this will be a condition of any grant offered. The business is currently receiving full Small Business Rate Relief.

The three nominated members of the grant advisory panel were emailed about this application on 9<sup>th</sup> April 2019 and two of the three responded recommending approval of the application.

**What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):**

1. Do nothing. If the Council chooses to adopt this approach, then the Council's regeneration aspirations for the Failsworth A62 corridor would be delayed. There is potential that the appearance of these premises and the A62 could decline further.

2. Approve the award of the Business Improvement Grant. Business Improvement Grant applicants will enter into a contract with the Council, to ensure that works are being undertaken satisfactorily with claw back arrangements for non-compliance. Funding takes place once the contract is completed and the works completed to the satisfaction of the Council.

**Consultation: including any conflict of interest declared by relevant Cabinet Member consulted.**

A local grant review panel consisting of three nominated ward members from the Failsworth East and Failsworth West wards has been set up to review any grant applications by email and provides a recommendation as to whether to approve, vary or reject with the actual decision to award the grant being made by the relevant Cabinet member.

This application was considered by the Failsworth A62 corridor grant review panel by email on 9<sup>th</sup> April 2019 by email and two of the three responded, recommending approval of the application. The third member did not respond.

**Recommendation(s):**

Approve the Business Improvement Grant award as follows:

- £4,856.50 to M Group Manchester Ltd in respect of 485 Oldham Road, Failsworth

**Implications:**

**What are the financial implications?**

The A62 Failsworth Corridor [Failsworth East] Project was awarded £100,000 for business improvement grants in the area outlined as per the grant applications, between the M60 and A62 roads running through Hollinwood and Failsworth to the edge of the Borough.

The table below summarises the current position including the £5k grant in this report.

	£
Total Business Improvement Grant – A62 Corridor	100,000
Previous approved grant allocations	16,500
<b>Total remaining grant to allocate</b>	<b>83,500</b>
Approval to allocate above recommendation	4,857
<b>Revised remaining grant allocation</b>	<b>78,643</b>

It is key to note that of the £16,500 previously allocated for the A62 Corridor, only £12,000 has been drawn down by the successful applications to date, as the conditions of grant state that the recipient has up to 12 months to draw down the grant following the approved offer.

It is important that colleagues in the Economic Development team, with the assistance from Finance, maintain an understanding and record of claims so that an accurate forecast can be completed. (Jamie Kelly, Accountant)

**What are the legal implications?**

The grants will be made subject to the Council's standard terms for Business Improvement Grants that provide for the grant to be paid after the works have been completed to the satisfaction of the Council's surveyor. There will be claw back provisions for non-compliance with the grant terms which together with the relatively low amounts of the grants make the grants low risk transactions. As long as the grant applications meet the Council's requirements and have been assessed in accordance with the Council's procedures Legal Services has no further comments to make. (Rebecca Boyle)

**What are the procurement implications?**

N/A

**What are the Human Resources Equality and Diversity Impact Assessment**

N/A

N/A

**What are the property implications**

Improvement of privately owned businesses will contribute towards the achievement of a vibrant A62 corridor. (Bryn Cooke)

**Risks:**

Each applicant is checked for Business Rates registration and that they are up to date. The applicant is registered for Business Rates at the premises and is to date with payments. The grant is only payable on satisfactory completion of the works.

**Co-operative agenda**

Business Improvement Grants are available to any independent business or property owner within the eligible areas. The grants can be the catalyst for local business to carry out improvement which they would not otherwise be able to afford or consider doing. Working with independent businesses is particularly important to our co-operative agenda and our District Centres as they help to create a strong sense of local identity and customer loyalty and trust. District Centres are often the location for family businesses that have been trading for long periods of time – many of them for a number of decades. Improvements to the exterior of key buildings including fascia's and shop fronts can both uplift an area and the visitor's perception of the District Centre and assist in attracting new independents.

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution? Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget? Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council? No

**There are no background papers for this report**

<b>Report Author Sign-off:</b>	
Signed:	Liz Kershaw, Principal Regeneration Officer
Date:	17/05/2019

In consultation with Helen Lockwood, Deputy Chief Executive, People & Place.

Signed : 

Date: 12 June 2019