

Item No. N/a	Classification Open	Date: 5 February 2020	Decision Maker: Cabinet Member Jobs, Business and Innovation
Report title:		Southwark Pioneers Fund Grant Awards (Round 1) approval	
Ward(s) or groups affected:		All	
From:		Stephen Gaskell, Head of Chief Executive's Office	

RECOMMENDATION

1. That the Cabinet Member for Jobs, Business and Innovation approves the award of £49,597 for Southwark Pioneers Fund grants (Round 1) to the organisations listed in the [Appendix](#) to this report.

BACKGROUND INFORMATION

2. The council has established a Southwark Pioneers Fund (hereafter called the Fund), as pledged in the Council Plan 2018-22, to support the council's commitment to inclusive and sustainable growth.
3. The purpose of the Fund grants programme is to:
 - Assist those enterprises and entrepreneurs who may be piloting, testing and experimenting with new/innovative solutions, and/or at an early stage in their growth journey; and
 - Uphold the overall aims of the Fund which include:
 - Widening the diversity of people who own and lead enterprises in Southwark
 - Creating good quality employment for Southwark residents
 - Generating broader social and environmental value for the people of Southwark.
4. The Fund has a budget of £250,000 solely for grants funding until March 2022. This will be allocated over five rounds, with £50k allocated for each round.
5. The budgeted allocation for this round (Round 1) is £50,000, managed by the local economy team, as part of the first phase of the Fund rollout.
6. Round 1 of the Fund grants programme was open to applications between 28 October and 25 November 2019 (four weeks). During this time, eighty-four applications were received, which serves to highlight both the interest in, and demand for, the Fund and the wide range of entrepreneurial endeavours taking place within Southwark.

KEY ISSUES FOR CONSIDERATION

7. The Fund grants programme has been designed to respond the needs of local entrepreneurs and small and medium sized enterprises (SMEs) identified throughout the development of the Fund. Grants are available to registered

enterprises and entrepreneurs wanting to start up and grow in Southwark, and generate social value for the people of Southwark. Grant awards are available up to a maximum of £5,000.

8. To be eligible for a grant, the following criteria must be met:

- over 18 years old
- registered with Companies House, or registered as a charity, or registered as a sole trader with HMRC
- registered to a Southwark postcode or you can demonstrate that you wish to start-up and grow in Southwark within the next three months
- a micro-enterprise / charity or entrepreneur with fewer than 10 full time employees
- a micro-enterprise / charity or entrepreneur at an early stage of your business life cycle (0-5 years) and/or you have the intention to grow and scale.

9. A breakdown of the eighty-four received applications is as follows:

	Grant applications
Total amount of grant funding applied for	£405,895.19
Total amount of applications	84 applications
Total amount of grant funding recommended	£49,597
Total amount of applications recommended	10 applications
Equalities Monitoring (enterprise owners)	Of the ten successful applications: Seven are from BAME backgrounds (70 per cent) Five are female (50 per cent)

(See [Appendix](#) for list of enterprises recommended for grant award)

10. In arriving at the proposed funding allocations, the evaluation panel has taken into consideration the scores achieved against the three core questions in the grant application form that related to: Applicant's motivation and capability, Strength of the idea, and Social value outcomes. The panel also considered the mix of sectors, locations and potential scale of projects to achieve a relatively balanced selection for the final list of ten.
11. Internal consultation was undertaken with relevant colleagues from across the council to assess compatibility with council-wide policies and strategies; there were no overriding concerns with any of the grant award recommendations.
12. The enterprises and entrepreneurs funded through this grants programme will be featured in the Southwark Council business newsletter that is distributed to businesses across the borough and will also be listed on the Fund web pages.

Policy implications

13. The Council Plan 2018-22 contains a commitment under the theme 'Full employment borough' to *Establish an Innovation Fund to invest in the Southwark's entrepreneurs of the future.* This Fund grants programme directly

assists the council to deliver this commitment by assisting those enterprises and entrepreneurs who may be piloting, testing and experimenting with new/innovative solutions, and/or at an early stage in their growth journey.

14. The council's Economic Wellbeing Strategy 2017-2022 contains four key strands, one of which is to be a 'Growth borough where business thrives and prospers'. One of the ways we will achieve this is to "support small businesses to grow by providing information, advice and guidance...and through targeted programmes of support..." The Fund grants programme is a programme which to help achieve our stated ambitions to make Southwark a place of choice for entrepreneurs to start a new business and where small businesses thrive and grow.

Community impact statement

15. As set out in the equality analysis report for the establishment of the Fund, women, people from ethnic minority backgrounds, and people with disabilities are far less likely to own, grow and be employed by small enterprises.
16. The Fund seeks to increase the number of people in these underrepresented groups who are able to start-up, own, grow and be employed by these enterprises. The Fund also encourages the creation of good quality jobs, skills and training opportunities, and contribution to community initiatives alongside other social value outcomes.
17. This funding opportunity was launched at a well-attended event on 17 October 2019 at Canada Water Library. It was also widely advertised via the council website and social media, the council's business newsletter, and through the Fund's stakeholders including various grass roots organisations, so that it reached the widest possible audience.
18. Of the eighty-four applications: fifty-eight were from females (69 per cent), fifty-seven were from BAME owners (67 per cent), and seventeen from those with a disability (20 per cent).
19. Due to the volume of applicants received, unsuccessful applicants will be asked to get in contact if they want feedback, which may help to improve any future bids.

Financial implications

20. The Fund Round 1 grants programme 2019-20 budget is £50,000. The amount for grants recommended for funding is £49,597.
21. Total spend will not exceed the recommendations, but may be less if groups are unable to meet all our grant criteria and timescales. Organisations will be required to sign and return acceptance of grant award letters within stated timescales, clear our financial procedures and provide further information in order to receive funding. Any underspend from Round 1 will be carried forward into future funding rounds.
22. Grants will only be paid once the council's conditions of grant funding agreement has been agreed and signed. Further monitoring of the grant recipient will then take place at agreed milestones to measure progress and impacts.

23. The full cost of the Round 1 grants will be met from the allocated grants pot approved by cabinet in the establishment of the Fund from the London Devolution Reserve.
24. Staffing and any other costs connected with the administration of the grant process will be contained within the chief executive department revenue budgets.

Consultation

25. Extensive consultation and engagement has been carried out throughout the development of the Fund's strategy and policy. This included commissioning a local needs analysis and establishing an Advisory Group of highly experienced local stakeholders.
26. A large number of small enterprises and entrepreneurs were consulted through local network partners and directly via a survey on the council's consultation hub, which showed that the majority of respondents prefer grant finance, as this incurs no debt.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

27. This report seeks the approval of the Cabinet Member for Jobs, Business and Innovation to the award of grants to those organisations and for the amounts noted in the appendix to this report. As the value of each grant exceeds £2,500 the decision to approve is reserved to the relevant Cabinet Member by virtue of Part 3D of the council's constitution.
28. As noted in paragraph 10, the decision on which of the applications should be successful was made following an analysis against 3 key elements, and also to allow a balanced selection.
29. The Cabinet Member's attention is drawn to the Public Sector Equality duty (PSED General Duty) under the Equality Act 2010, which requires public bodies to have regard, when making decisions, to the need to eliminate discrimination, advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and those who do not share it. The Cabinet Member is specifically referred to the community impact statement at paragraphs 15-19, setting out the consideration that has been given to equalities issues which should be considered when approving these grant awards.

Strategic Director of Finance and Governance (CE19/008)

30. This report is requesting Cabinet Member for Jobs, Business and Innovation to approve the award of £49,597 for Southwark Pioneers Fund grants (Round 1) to the organisations as listed in the Appendix attached to this report.
31. The strategic director of finance and governance notes that the full cost of the Round 1 grants will be met from the allocated grants pot approved by cabinet in the establishment of the "Southwark Pioneers Fund" from the London Devolution Reserve, as mentioned in financial implications.

32. It is noted that all staffing and other costs connected with this report will be contained within existing departmental revenue budgets.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Southwark Pioneers Fund 2019/20 grant application and guidance forms Link (please copy and paste into your browser): https://www.southwark.gov.uk/business/business-support-and-advice/southwark-pioneers-fund	N/a	N/a
Southwark Pioneers Fund Establishment – Cabinet Paper (18/06/2019) Link (please copy and paste into your browser): http://moderngov.southwark.gov.uk/ie/DecisionDetails.aspx?ID=6845	N/a	N/a

APPENDICES

No.	Title
Appendix	Recommendations for Southwark Pioneers Fund grants (Round 1)

AUDIT TRAIL

Lead Officer	Stephen Gaskell, Head of Chief Executive's Office	
Report Author	Matthew Little, Principal Strategy Officer, Local Economy Team	
Version	Final	
Dated	5 February 2020	
Key Decision	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	5 February 2020	

APPENDIX: Recommendations for Southwark Pioneers Fund grants (Round 1)

a) 10 applicants recommended for funding

Name of enterprise (alphabetical order)	Grant amount £	Nature of organisation / project	Ward where based
Autsera Ltd https://www.autsera.com/	4,994	Digital games to help autistic children learn vital life skills for social independence, learning, and future employment. Project is to support local employment to develop social teaching games.	Rotherhithe
Bio Blast Ltd https://www.blast-studio.com/	5,000	Sustainable objects and furniture made out of recycled coffee cup waste and mycelium. Project is to establish a network of collections in Southwark.	Borough & Bankside
The Bower (CIC) https://www.thebower.org.uk/	4,900	Gallery, publication studio and café at Brunswick Park. Project is to support development of the cafe in order to make it sustainable and financially viable as well as creating opportunities for employment.	St Giles
BYO Ltd https://bringyourownuk.com/	5,000	High street store offering plastic-free and low waste food and household goods. Project is to support expansion to larger premises.	Nunhead & Queen's Road
Cluedup Cup and Plate Ltd	5,000	Independent coffee/hot drinks/home-made cakes. Strives to incorporate providing community development by delivering bespoke events for current topics and local priorities such as mental health and wellbeing, care-leavers and supporting young entrepreneurs. Project is for equipment at new space at THRDS studio.	Old Kent Road
The Movement Factory (CIC)	4,804	Award winning community social enterprise using dance as a tool to create positive change and cohesion. Project is to enable recruitment of sales specialist and upgrade of website and booking system to better manage demand and increase sustainable income stream.	Rye Lane
Nemi teas Ltd http://www.nemiteas.com/	5,000	London-based tea company that offers whole leaf tea blends as loose tea and in plastic free biodegradable tea pyramids. The company is a strong believer in creating positive change through business and provides employment and work experience to refugees. Project is to secure premises in Southwark.	Borough wide

Name of enterprise (alphabetical order)	Grant amount £	Nature of organisation / project	Ward where based
Oshpaz Ltd https://oshpaz.co.uk/	4,899	Brings the tastes and culture of Uzbekistan to London in a modern and exotic form, offering street food and catering services. Project is for equipment for a stall at Tabard Street Market.	Chaucer
Pluvo Ltd https://www.pluvo.co.uk/	5,000	Solution for urban air pollution. Project is for product development.	Borough & Bankside
Zola & Zach Ltd	5,000	Sustainable furniture for 6-month of age to adulthood. Project is to contribute to product R&D.	Goose Green

Total 49,597