

NORTH LANARKSHIRE COUNCIL

REPORT

To: ECONOMIC DEVELOPMENT COMMITTEE		Subject: BOOST FOR BUSINESS START-UP- QUARTERLY REPORT 1 January 2000 - 31 March 2000
From: DIRECTOR OF PLANNING & ENVIRONMENT		
Date: 8 June 2000	Ref: YW/REP685.	

1 Purpose

- 1.1 The purpose of this report is to inform committee of the progress of the BOOST for Business Start Up programme during the period 1 January 2000 - 31 March 2000.

2 Sustainability

- 2.1 The BOOST programme meets the sustainable development policy adopted by the Council through Local Agenda 21 by addressing elements of Section 3 "Economy and Work", Section 8 "Social Needs" and Section 11 "Partnership and Funding". In particular, the scheme addresses the following areas:

- Reducing poverty and low pay
- Providing training and personal development opportunities for local people
- Increasing employment opportunities for local people
- Linking local production with local consumption
- Helping local and community based businesses set up and grow
- Improving access to employment opportunities
- Working in partnership with other departments and agencies

3 Introduction

- 3.1 Boost for Business Start Up provides a grant for unemployed people assisting them to become self-employed.
- 3.2 Applicants for BOOST must undergo business counselling and training provided by the local Enterprise Development Company as a condition of receiving the grant.
- 3.3 A grant of £500 is awarded to each applicant who must be unemployed for a period exceeding 4 weeks to be eligible for the award. An additional £300 is available to meet child-care costs of those successful applicants residing in Regeneration areas.

4 Awards

4.1 Total Figures:

Applications Received - 1 January 2000 - 31 March 2000	58
Applications Approved during period	47
Applications Rejected/Withdrawn during period	11

4.2 This is broken down between the areas as follows:

	Northern Area	Northern Area	Central Area	Central Area	Southern Area	Southern Area
	Quarter	Year to date	Quarter	Year to date	Quarter	Year to Date
Applications Received	15	48	18	33	25	115
Applications Approved	10	34	14	26	23	94
Applications Rejected/Withdrawn	5	14	4	7	2	21

4.3 The total grant paid out between 1 January 2000 to 31 March 2000 amounts to £16,500.

From 1 April 1999 to 31 March 2000 a total of £65,000 has been spent on grants from the 1999/2000 annual budget of £80,500. Therefore, 81% of the budget was spent by 31 March 2000.

At 31 March 2000, there are grants totalling £12,000 which have been approved still to be paid out once the conditions have been met by the applicants. The total approved grants for 1999/2000 is £77,000 which is 95% of the total budget for the year.

5. National Business Start-up Trends

5.1 Figures compiled by Scottish Enterprise and the country's four clearing banks have shown that the number of new business start-ups has dropped to its lowest level in five years during the fourth quarter period to December 1999.

5.3 A comparison has been carried out for the number of BOOST grants awarded in 1999 compared to 1998:

	April 1998 to March 1999	April 1999 to March 2000
Applications Approved	120	154

Whilst the figures for BOOST show an increase in applications approved, they may be slightly distorted due to the demise of MEDCO where there were no applications received between April and June 1998 compared to 41 applications received in the same period in 1999.

5.4 The Business Start-up in the SIP and Regeneration Area project is aiming to address the low number of business start-ups within the priority areas. The Committee approved the project at its meeting on 27 January 2000. The pilot for this project is running from February to April 2000 within Coatbridge South Social Inclusion Partnership. This project should have a positive impact on the number of BOOST applications received from these areas over the coming year.

6. **Recommendation**

6.1 Committee is asked to note the contents of this report.

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Director of Planning and Environment



Date of Report: 11 April 2000

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