

# Discover Newmarket Grant

<b>Report number:</b>	<b>CAB/WS/23/019</b>	
<b>Report to and date:</b>	<b>Portfolio Holder decision</b>	22 March 2023
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**Decisions Plan:** Notice of Intention providing the purpose of the decision and the date in which the decision is expected to be made has been published on 14 March 2023.

**Wards impacted:** All Newmarket Wards

**Recommendation:** It is recommended that the Portfolio Holder for Growth approves the provision of a one off £30,000 grant to Discover Newmarket, from the existing Economic Development grants budget, on the condition that the grant is used to pay off their existing loan to West Suffolk Council (for the same sum – monies will not physically exchange hands).

## **1. Context to this report**

- 1.1 In 2014 to support 'Newmarket Experience' (previously run by the Council) to re-launch as 'Discover Newmarket' (under a Community Interest Company) an interest free loan was provided by then Forest Heath District Council (predecessor Council to West Suffolk Council).
- 1.2 The interest-free loan of £30,000 enabled Discover Newmarket to purchase a new website and booking system, and a new vehicle. This loan would fill a short-term funding gap, envisaged to be paid back within five years.
- 1.3 Discover Newmarket have been in discussions with the Council regarding grant funding to pay of their loan with the now West Suffolk Council to support their on-going business model and viability. In doing so they referenced the grant from the former St Edmundsbury Council provided to the Destination Management Organisation (DMO) Bury St Edmunds and Beyond (£150,000 over three years between 2016 – 2019).

## **2. Proposals within this report**

- 2.1 Discover Newmarket currently receives 40% of its income from its stakeholders, which significantly supports the business model and provides much needed stability.
- 2.2 Other sources of income are through guided tours and tourism membership fees. West Suffolk Council have not provided any core funding to Discover Newmarket prior to this current request of a one off grant to pay off their outstanding loan.
- 2.3 It is proposed that West Suffolk Council provide a £30,000 grant to Discover Newmarket from the existing Economic Development grants budget on the condition that the grant is used to pay off the existing loan of to West Suffolk Council (for the same sum).

## **3. Alternative options that have been considered**

- 3.1 That Discover Newmarket begin to repay the loan to the council in full but this will have a dramatic effect on the business as it continues to recover from the effects of travel restrictions during the pandemic. This would also treat Discover Newmarket differently to Bury St Edmunds and Beyond and Visit Clare that both received grant funding.
- 3.2 That Discover Newmarket repay a portion of the loan however this is still likely to cause disruption to the finances of the business as it continues to recover from the pandemic.

- 3.3 The alternative use for this funding would have been issued as grants to businesses however the scheme was underutilised during the pandemic.