

**05 July 2016****Agenda Item: 4****REPORT OF THE CORPORATE DIRECTOR, PLACE****2016-17 DELIVERY PLAN BUDGET PROPOSALS****Purpose**

1. To seek Committee's approval for additional activity in line with the Council's Economic Development Strategy, which would be supported through the 2016-17 economic development budget.

**Background**

2. Economic Development Committee approved spend proposals for the bulk of its budget at its meeting on 22<sup>nd</sup> March. See Appendix A for the 2016/17 Economic Development Budget Commitments and breakdown by Delivery Plan ambition.
3. At that time, a budget of £70,816 remained for Committee to allocate to projects and activities.
4. At its 7<sup>th</sup> June 2016 meeting, Committee agreed that £25,000 would be allocated to address identified property needs at the Worksop Turbine. Along with the receipt of late invoices for activities that took place in 2015/16 the unallocated sum has reduced to £42,428.
5. It is proposed that £40,000 of the remaining £40,000 is allocated to a single project, leaving approximately £2,500 as contingency.

**Growing Enterprise proposal**

6. The County Council, through this Committee, has previously supported Nottingham Business Venture (NBV) with funding to deliver start-up focussed business support activities. The most recent contract with NBV ran from 2013-2015 and resulted in over 200 new start businesses being created in Nottinghamshire. The County Council's funding for start-up activity ceased in 2015, pending the launch of the D2N2 European Structural and Investment Fund (ESIF) programme, which has a priority for supporting start-up businesses.
7. NBV has made a successful bid for funds through the D2N2 ESIF programme and their new initiative, Growing Enterprise, was formally launched in February 2016. It focusses on increasing entrepreneurship, supporting the exploitation of

economic ideas and creating new start-up businesses, particularly in areas with low levels of economic activity. The total value of the NBV programme is £1million in Nottingham and Nottinghamshire, with £0.5million secured from the ESIF programme.

8. There is now the opportunity for the County Council to support additional activity as a bolt-on to the Growing Enterprise programme. This would lever ESIF resources in to the county and is consistent with the principle agreed by this Committee in March - that remaining funds should be used to match ESIF or other external funds where possible.
9. NBV has proposed that they could deliver additional services in Nottinghamshire as follows:

A fully accredited SFEDI (Small Firms Enterprise Development Initiative) NVQ course which supports 80 participants to achieve an NVQ in Business Start-Up – ‘Starting and Running a Business’. Each participant would gain new skills, a certificate of achievement where appropriate via SFEDI accreditation, but crucially each person will have new core transferrable skills and a viable business proposition offering security and employment potential for the future. The SFEDI accreditation is additional as it does not take place during the delivery of the Growing Enterprise Project. Intensive support would be offered over much longer periods through a bespoke programme for Nottinghamshire participants.

Through a client-centred mix of content, timing & pitch, subjects covered will include labour market information, marketing, sales, finances, customer service & team-working. Key development areas will include personal goal setting, consequences of behaviour, image, confidence building, presentation, interview skills and motivation.

Critically, through delivery of enterprise competencies, key skills such as application of number, communication skills and problem solving are also developed – all of which local employers continue to state are the core skills needed by potential employees and which they find so hard to secure when recruiting to posts. Working with a team of facilitators and experienced mentors, each individual will be supported to develop their business idea and access on-going support via both mentors and their peers, developing enterprising skills and abilities which in turn would develop core skills and raise aspirations of potential Nottinghamshire entrepreneurs.

Any post start-up support could subsequently blend with other more mainstream activity, but the pre-start interventions envisaged here are entirely bespoke, ongoing and fully responsive to each participants needs.

This would be an investment of £40,000 +VAT at £500 per NVQ accreditation.

Access points will be within the context of accessible and familiar Nottinghamshire locations which helps to reduce the barriers in accessing support; this is particularly relevant when working with diverse groups and those who are vulnerable, including long term unemployed people, English speakers of other languages, people with care responsibilities, people with physical or learning disabilities, those who may have had a poor academic experience or those with transportation issues.

10. NBV is a proven deliverer of pre-start and start-up business support services and has a very strong track record in Nottinghamshire. If this proposal is endorsed by Committee, the County Council will be supporting NBV's wider Growing Enterprise initiative and ensuring that Nottinghamshire maximises its take-up of this ESIF programme. NBV is working with the D2N2 Growth Hub to maximise its reach and impact.

#### **Other options considered**

11. The County Council could issue a tender for similar pre-start activity and accredited outcomes. However this could result in the failure to secure additionality through the NBV / ESIF Growing Enterprise programme in the county.

#### **Reason(s) for Recommendations**

12. Economic Development Committee is tasked with agreeing an annual budget and this report presents options to ensure that the full budget is utilised on delivering the Council's objectives for economic development and jobs growth.

#### **Statutory and Policy Implications**

13. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described within the body of the report.

#### **RECOMMENDATIONS**

14. It is recommended that Committee considers the budget proposal as outlined above and agrees to allocate £40,000 to the proposed activity with Nottingham Business Venture.

**Tim Gregory**  
**Corporate Director, Place**

**For any enquiries about this report please contact: Matt Lockley, 72446**

**Constitutional Comments [KK 20160622]**

The proposal in this report is within the remit of the Economic Development Committee.

**Financial Comments [RWK 20160622]**

The report proposes additional expenditure of £40,000 in 2016/17 as a result of allocating funding to NBV. This additional expenditure can be funded from the existing revenue budget of the committee.

**Background Papers**

- *Economic Development Strategy*; report to Policy Committee, 11-12-2013, published
- *Economic Development Strategy – Delivery Plan and Budget 2015-16*; report to Economic Development Committee, 31-3-2015, published
- *Economic Development Strategy – Delivery Plan and Budget 2016-17*; report to Economic Development Committee, 22-3-2016, published

**Electoral Division(s) and Member(s) Affected**

All

**Appendix A: 2016/17 Economic Development Budget Commitments and break-down by Delivery Plan Ambition**

<b>Table 1: Budget Table</b>	
<b>2016/17 Economic Development Budget Commitments</b>	
<b>Delivery Plan Ambition Headlines</b>	<b>£</b>
Jobs, Skills & Training	£71,210
Enabling Business Growth	£427,178
Infrastructure & Assets	£30,500
<b>Unallocated</b>	<b>£42,428</b>
<b>TOTAL PROJECT/ITEM COST</b>	<b>£571,316</b>
<b>TOTAL STAFFING &amp; RELATED BUDGET COSTS</b>	<b>£415,656</b>
<b>TOTAL BUDGET</b>	<b>£986,972</b>

<b>Table 2: Breakdown By Delivery Plan Ambitions</b>		
<b>Jobs, Skills and Training</b>	N2 Skills and Employment Board	£20,000
	Graduate Retention and Placement	£15,210
	Wheels to Work	£10,000
	Job Clubs	£26,000
	<b>TOTAL SPEND ALLOCATED TO JOBS, SKILLS AND TRAINING</b>	<b>£71,210</b>
<b>Enabling Business Growth</b>	Creative Greenhouse	£7,275
	ESIF Technical Support	£4,000
	NBEG	£2,000
	Memberships	£10,403
	ESIF D2N2 Digital Business Growth	£70,000
	Turbine	£83,500
	D2N2 Growth Hub	£50,000
	Marketing Nottingham and Nottinghamshire	£200,000
	<b>TOTAL SPEND ALLOCATED TO ENABLING BUSINESS GROWTH</b>	<b>£427,178</b>
<b>Infrastructure and Assets</b>	Broadband Demand Stimulation related activities	£20,000
	Technical Support for Nottinghamshire Economic Development Capital Fund and Local Growth Fund	£10,500
	<b>TOTAL SPEND ALLOCATED TO INFRASTRUCTURE AND ASSETS</b>	<b>£30,500</b>