

6th December 2016**Agenda Item: 8****REPORT OF THE CORPORATE DIRECTOR, PLACE****D2N2 DIGITAL BUSINESS GROWTH PROGRAMME****Purpose of the Report**

1. To update the Committee on progress with the D2N2 Digital Business programme and specifically to:
 - a) welcome the approval of the EU funding submission;
 - b) confirm that the agreement between the County Council as the accountable body for the Programme and the Department for Communities and Local Government has been signed;
 - c) note that the Programme will not commence until a collaboration agreement between the match funding partners has been completed.

Background

2. The County Council approved match funding to the D2N2 Digital Business Support Programme at the January 2016 Economic Development Committee and a further report to the September 2016 approved the establishment of the posts associated with the delivery of the programme. Both approvals were subject to the successful outcome of the application for EU European Structural and Investment Funding (ESIF). To confirm, the County Council is acting as the Accountable Body for the Programme submission on behalf of the partners.
3. On 16th November, the County Council received a copy of the Funding Agreement issued by the Department for Communities and Local Government (DCLG), confirming the approval of the EU submission. The success of the submission is to be welcomed.
4. In order for the Programme to be progressed, the Agreement was required to be signed and returned to DCLG before the 23rd November, being the date of the Autumn Statement in line with HM Treasury requirements, following the outcome of the Referendum on membership of the EU. The Agreement is non-negotiable and following consideration of its terms and conditions, it has now been signed.
5. The Committee will note that the Programme will not commence until a Collaboration Agreement has been signed with all the contributing match-funding partners. This will include provisions protecting the County Council from any actions or omissions of the partner agencies alongside the four main funding partners underwriting the Programme costs resulting from any shortfall in match-

funding from them and from the required match from the SME grant recipients. The value of the Programme is £7.25M, of which £3.62M is from ESIF, £2.7M from SME grant match and £926,000 from the partners, including the County Council's total net contribution of £210,000. As with all EU funding, claims are made retrospectively on the basis of actual expenditure with the gross costs met initially by the funding partners.

Reason(s) for Recommendations

12. The report is for information only.

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 report.

Financial implications

14. The financial implications are referenced above, having been the subject of previous reports to this Committee.

RECOMMENDATION

15. It is recommended that Committee welcomes the success of the application for EU funding for the D2N2 Digital Business Growth Programme, noting that:

- a) the Agreement between the County Council and the Department for Communities and Local Government has been signed;
- b) the Programme will not commence until the completion of a collaboration agreement between the match funding partners.

Tim Gregory
Corporate Director, Place

For any enquiries about this report please contact:

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Constitutional Comments [SLB 25/11/2016]

This report is for noting only.

Financial Comments [SES 25/11/16]

The financial implications are set out in the report.

Background Papers

- *D2N2 Digital Business Growth Programme*, report to Economic Development Committee, 6th September 2016

- *ESIF Programme: D2N2 Digital Business Growth Programme*, report to Economic Development Committee, 19th January 2016
- *European Structural Investment fund: ERDF ICT Funding Call*, report to Economic Development Committee, 8th September 2015
- *Additional proposals for Economic Development budget 2015-16*, report to Economic Development Committee, 7th July 2015

Electoral Division(s) and Member(s) Affected

All