



**11 June 2013**

**Agenda Item: 9**

**REPORT OF THE CORPORATE DIRECTOR, POLICY, PLANNING AND  
CORPORATE SERVICES**

**INTRODUCTION TO THE COUNCIL'S ECONOMIC DEVELOPMENT SERVICE**

**Purpose of the Report**

1. To provide Committee with information relating to the Council's Economic Development Service, including its structure, resources and current priorities.

**Information and Advice**

**Structure**

2. The Council's Economic Development Service sits within the Corporate Strategy Group in the Policy, Planning and Corporate Services department. The staffing cohort consists of (in FTE):
  - 1 team manager
  - 2 Senior Economic Development officers
  - 5.5 Economic Development officers (one of whom is temporarily dedicated to the broadband project)
  - 1 Work Clubs Co-ordinator (temporary to end March 2014)
  - 1 broadband project support officer

In addition, the service is hosting one of the Council's National Graduate Management Trainees until October 2013. A detailed structure chart is attached as Appendix A.

3. Given the importance of the economic development and growth agenda, key senior managers also dedicate a significant amount of their time to strategic priorities and external relationships (for example, with the business community).
4. The staffing cohort for the service has increased in recent months following a successful recruitment exercise to two new posts and one existing vacancy. This additional capacity is reflected in the details given above. All three new appointments will start with the Council by the end of July.
5. The cost of the service's staff is estimated to be £373,872 in 2013-14.

## Resources / budget

6. Economic Development Committee controls a project budget of £742,045 in 2013-14. This is broadly split as follows (and in line with the Nottinghamshire Growth Plan themes):
  - Competitive Business Growth - £239,045
  - Connectivity (including broadband) - £195,000
  - Employment and Skills - £90,000
  - Experience Nottinghamshire - £218,000

It should be noted that Council has previously approved (December 2011) a revenue allocation of up to £450,000 for the broadband initiative. This has been included in the above figures at an annualised rate of £150,000 to 2014-15. The Council's capital commitment to the broadband initiative remains unchanged at £2.15 million.

7. The budget also includes an enhanced allocation to Experience Nottinghamshire of £218,000 (up from the previous level of £118,000). This was approved over a three year period (to March 2015) by Policy Committee in 2012.
8. Finally, in March 2013 Economic Development Committee approved a contribution of £62,500 in 2013-14 and 2014-15 towards the core running costs of the D2N2 Local Enterprise Partnership. This will be used (along with similar contributions from the other three upper-tier authorities) as match funding to enable £250,000 of core funds to be drawn down from the Government. The £62,500 has been added to the Economic Development Committee budget from contingency.
9. Further detail on specific projects supported through the Economic Development Committee's budget is appended to this report (Appendix B). These commitments were approved by Committee in January 2013.

## Priority work areas

10. The work of the Economic Development Service is currently shaped around the themes emerging in the Nottinghamshire Growth Plan. Whilst resources are still relatively limited, the team's focus is on delivering economic growth and jobs through:

### Competitive business growth

- Start-up and micro business support, through a contract with Nottinghamshire Business Venture;
- Access to business loans through the 'Funding Circle' model;
- Business sign-posting and portal;
- Access to finance – supporting companies with bids to Regional Growth Fund; Unlocking Investment for Growth; Nottinghamshire Investment Fund;
- Nottinghamshire Innovation Centres – contract management of the out-sourced relationship with Oxford Innovation;
- Sector development (including the visitor economy and relationship with Experience Nottinghamshire)

### Connectivity

- Nottinghamshire Broadband Programme - £13.5 million capital investment in superfast broadband across Nottinghamshire;
- Inward investment activity through collaboration with Invest in Nottingham;
- Nottingham Enterprise Zone and Business Investment Zone development;
- Market town and rural centre development;
- Major initiatives (i.e Rolls Royce, Hucknall; A453)

### Aspiration and talent

- Nottinghamshire Work Clubs;
- Wheels to Work project – providing access to work solutions targeted at younger people who live in isolated parts of the County;
- Youth employment and apprenticeships

11. Sitting alongside all of the above are several core priorities that frame the overall work of the Economic Development service. These can be summarised as:
  - Strategic relationships. Supporting the work of the Leader and Chief Executive of the Council in terms of the D2N2 Local Enterprise Partnership; Nottinghamshire Leaders' Group and Chief Officers' Forum;
  - Business engagement. Facilitating the Nottinghamshire Business Engagement Group; building relationships with key Nottinghamshire employers; business intelligence;
  - Corporate approach to economic development. Bringing together an Economic Development Strategy for the Council that recognises the much wider economic impact of the Council's activities (i.e. procurement; planning and developer contributions; transport; the wider skills and advice agenda)
12. Further detail on the specific projects outlined above (and their outcomes) is included in Appendix B.

### **Reason/s for Recommendation/s**

13. This report is offered to introduce the Committee to the Council's Economic Development Service and to give information on the Committee's budget responsibilities. It could also be used to frame a future discussion on prioritisation of the service's resources.

### **Statutory and Policy Implications**

14. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described in the report.

## **Financial Implications**

15. Staffing and project costs for the service were approved by Full Council at its budget setting meeting in February 2013. Some flexibility remains in the budget as the focus of the allocations towards market town work (£25,000) and youth employment (£20,000) has not yet been resolved and a further £20,000 will also come back for Committee consideration due to the cessation of the Micro Loan Fund project (a separate report on this will be considered by Committee).

## **RECOMMENDATIONS**

- (1) That members note the details of the report.

**Report of the Corporate Director, Policy, Planning and Corporate Services**  
**For any enquiries about this report please contact: Matt Lockley, ext 72446.**

### **Constitutional Comments (SLB 30.05.2013)**

This report is for noting only.

### **Financial Comments (NDR 30/05/13)**

There are no financial implications arising directly from the report.

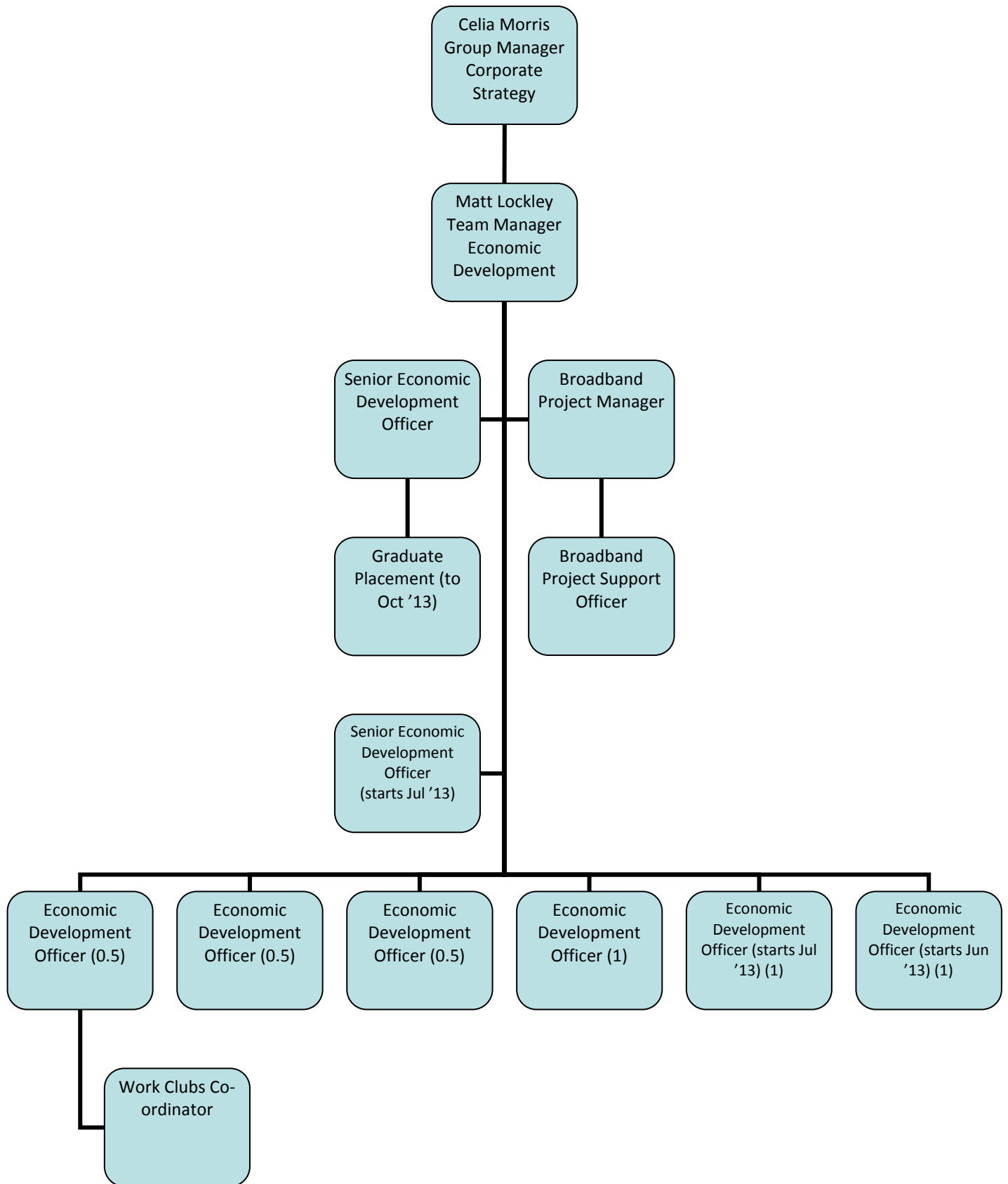
### **Background Papers**

Budget reports to Economic Development Committee, 27 Nov 2012 and 22 Jan 2013.

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

All

**Appendix A - ECONOMIC DEVELOPMENT SERVICE – as at June 2013**



## Appendix B – anticipated outputs – Economic Development budget proposals

Priority	Activity	Spend	Outputs	Added value
Competitive Business Growth	Online business support portal	£15,000	1 x online portal developed and live by June 2013  A minimum of 300 individuals / businesses accessing the portal by March 2014	Potential to lever in additional resources by partnering with D2N2 LEP and others
	Nottinghamshire peer-to-peer funding scheme	£50,000	1 x peer-to-peer funding scheme established and launched by Sept 2013  20 grants / loans of up to £5,000 offered by March 2014	Fund manager will be required to lever in additional resources for the scheme – as a minimum to match the County Council's contribution
	New start business project	£45,000	90 Nottinghamshire individuals / entrepreneurs benefiting from up to £500 worth of advice and support	Activity will be commissioned – leverage of additional resources will be assessed
Connectivity	Nottinghamshire Business Investment Zones	£20,000	1 x new inward investment campaign to promote key opportunities in the County	Delivered through Invest in Nottingham, to ensure synergy and alignment of resources
	Investment in market towns	£25,000	TBC at March Committee, but could include:  1 x new Business	Will require close working with District Council partners and Highways to ensure maximum benefit

			Improvement District supported	
			3 x Local Improvement Schemes enhanced	
Aspiration and talent	Nottinghamshire Work Clubs	£50,000	<p>3 x new Work Clubs established</p> <p>A minimum of 1,000 Work Club attendances</p> <p>50 Work Club members securing employment</p> <p>25 Work Club members taking up training opportunities</p> <p>3 x Enterprise Clubs supported</p> <p>A minimum of 250 Enterprise Club attendances</p>	<p>Working with JobCentre Plus and Nottinghamshire employers delivers significant added value</p> <p>Hosting Work Clubs in libraries gives the opportunity to embed them in a core Council service</p>
	Wheels to Work	£20,000	100 young people supported into work or training through moped loan hire	County Council contribution typically enables RCAN to lever in additional funds from a variety of sources including JobCentre Plus and District Councils
	Youth employment	£20,000	TBC in March	TBC

Additional spend items	Worksop Turbine deficit contribution	£15,000 (est)	<p>A minimum of 45 companies housed at the Worksop Turbine</p> <p>Occupancy increase from current baseline (Dec 2012) of 74%</p>	<p>The Managing Agents for Nottinghamshire's Innovation Centres (Oxford Innovation) continue to address issues relating to occupancy and income growth at the Turbine. It is hoped, therefore, that the deficit figure suggested here will reduce over the course of the year</p>
	Leadership priorities	£14,000	<p>A minimum of 20 Nottinghamshire business clubs engaged in the Council's economic development work</p> <p>A minimum of 5 meetings of the Nottinghamshire Business Engagement Group hosted</p> <p>Key memberships continued (i.e. Chamber of Commerce)</p> <p>3 x Nottinghamshire Business Awards sponsored</p>	