

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 11 OCTOBER 2016

Title of report	ENTERPRISING NORTH WEST LEICESTERSHIRE – PHASE TWO
Key Decision	a) Financial Yes b) Community No
Contacts	Councillor Tony Gillard 01530 452930 tony.gillard@nwleicestershire.gov.uk Chief Executive 01530 454500 christine.fisher@nwleicestershire.gov.uk Interim Head of Economic Development 01530 454773 kay.greenbank@nwleicestershire.gov.uk
Purpose of report	To present to Cabinet a proposal that North West Leicestershire District Council launches phase two of Enterprising North West Leicestershire, to enable provision of business support and grants to town centre businesses. To invite Cabinet to approve the allocation of funding to enable launch and delivery of the Enterprising Town Centres scheme.
Reason for Decision	Approval needed for allocation of £250,000 of 2015/16 underspend to phase two of the Enterprising North West Leicestershire scheme
Council Priorities	The Enterprising Town Centres programme will contribute to delivering all five of the Council priorities but with a particular focus on 'Building confidence in Coalville' and to support 'Businesses and Jobs'.
Implications:	
Financial/Staff	The requested budget required to deliver the Enterprising Town Centres programme is £250,000. The Business Focus team will provide the overall management, the day-to-day running and the administration of the Enterprising Town Centres. Contributions are required from other council departments as set out in the report below.

Link to relevant CAT	Business CAT
Risk Management	All grant awards will be required to comply with state aid rules and be subject to due diligence checks to ensure eligibility and compliance. Grant offers will include a clawback mechanism if the applicant fails to meet their grant conditions.
Equalities Impact Screening	Not applicable
Human Rights	Not applicable
Transformational Government	Not applicable
Comments of Head of Paid Service	Report is satisfactory
Comments of Deputy Section 151 Officer	Report is satisfactory
Comments of Deputy Monitoring Officer	Report is satisfactory
Consultees	Consultation has been carried out with the Business and People group (made up representatives from local business and business groups such as the Federation of Small Businesses, the Chamber of Commerce and the Leicester & Leicestershire Enterprise Partnership).
Background papers	Cabinet report 18 November 2014 Council Delivery Plan 2016/17 Market Towns Study 2016
Recommendations	<p>CABINET ARE REQUESTED TO:</p> <p>I. APPROVE THE PROPOSAL TO LAUNCH PHASE TWO OF THE ENTERPRISING NORTH WEST LEICESTERSHIRE SCHEME</p> <p>II. APPROVE THE ALLOCATION OF £250,000 OF 2015/16 UNDERSPEND TO DELIVER PHASE TWO OF THE ENTERPRISING NORTH WEST LEICESTERSHIRE SCHEME.</p>

1.0 BACKGROUND

- 1.1 North West Leicestershire District Council is committed to supporting the growth of businesses within our market towns and across the district. The Business Focus team actively work to support local businesses to grow, attract new businesses to relocate to the District, to encourage entrepreneurial activity and support local people to access local employment opportunities.
- 1.2 In April 2015, North West Leicestershire District Council launched the £500,000 Enterprising North West Leicestershire (ENWL) business grant fund. The programme was designed in consultation with the NWL Business and People Group and managed by the Business Focus team. The fund made grants available to small and medium sized enterprises (SMEs) that are based in, or are relocating to North West Leicestershire. Grants of between £5,000 and £25,000 are offered at an intervention rate of 33%, requiring the applicant to provide 66% of the total project costs as match funding.
- 1.3 From the launch, there was a high level of demand from local businesses to the ENWL programme. The Business Focus team received over 170 enquiries for funding under the programme. Business networks, such as the Chamber of Commerce and Federation of Small Business welcomed the creation of the ENWL grant and actively promoted it through their business memberships.
- 1.4 In total, to date, the ENWL programme has awarded £402,000 of grant funding to 24 growing SMEs (leaving £98,000 of the £500,000 originally allocated). The investment made by NWLDC through the grant funding levered over £2.9 million of private sector match funding creating a total investment through the programme of £3,334,879. As a direct result of the investment 66 new local jobs have been created (just over £6,000 per new job, versus a target of £10,000 per job).
- 1.5 Through the ENWL programme, the take up of grants has created significant positive communications that continue to highlight the positive impact that NWLDC has made in supporting businesses. Coverage has included releases in local and regional press, promotion at the 2016 Leicester Business Festival, presentations to business networks and regional groups.
- 1.6 The Council is seeking to support town centre-based businesses e.g. the Business Focus team are delivering the Coalville frontage improvement scheme. This scheme supports businesses on key streets in Coalville to improve the appearance of their premise frontages, with the aim of highlighting historic features, reinvigorating the shopping experience and boosting spend in the town.
- 1.7 The following proposal aims to build on the success of Enterprising North West Leicestershire, address Council Delivery Plan priorities and business support gaps recognised with the Market Towns Research project (in which NWLDC participated with all other Leicestershire local authorities and LLEP).

2.0 PROPOSAL

- 2.1 It is proposed that the remainder (£98,000) of the funding allocated to Enterprising North West Leicestershire (phase 1) is used to enable continuation of that scheme i.e. to enable

grants to SME businesses of between £5,000 and £25,000, up to a maximum of 33% of the cost of a project which will enable creation of new jobs, across the whole district.

- 2.2 Phase two of ENWL scheme will have a focus on the district's town centres (Ashby-de-la-Zouch, Castle Donington, Coalville, Ibstock, Measham) with the aim of supporting town centre businesses and creating new local bespoke businesses, unique character and identity within the district's town centres. This will stimulate increased spend, footfall and occupancy within the district's town centres and Coalville market leading to potential job creation. Village-centre businesses will also be supported
- 2.3 To achieve these outcomes the proposed ETC programme will have two key elements:
- i) a business grants scheme, using a similar model to the original ENWL scheme, offering grants to support town centre businesses (£230,000 to provide a range of grants from £500 to £25,000, targeting new and existing town centre businesses)
 - ii) a specialist programme of business support and advice specifically for SME retail and town centre businesses (including market stall holders) (£20,000 to deliver group sessions covering retail best practice and use of the internet and individual consultancy sessions).
- 2.4 The ENWL programme will respond to local need supporting high street business to grow and support the reoccupation of vacant properties on our high streets and markets. This is particularly relevant to Coalville which has one of the highest market town vacancy rates in the County (at 12.4%, September 2016). Increasing the occupancy of vacant retail premises will not only increase the retail offer in the town and enhance the visitor experience and will also increase revenue through business rates from newly occupied town centre premises.
- 2.5 ETC will also deliver against the Coalville Market Hall Strategy and North West Leicestershire Local Growth Plan by contributing to the regeneration of NWL market towns, supporting women in enterprise, developing business support services that help businesses to start-up and business to grow, and to prepare local people to (re-)enter employment.
- 2.6 The NWL Business and People Group have been consulted on this proposal in order to gather an understanding of local need and get feedback from businesses.

3.0 FINANCIAL IMPLICATIONS

- 3.1 The budget required to deliver phase 2 of ENWL programme is £250,000.
- 3.2 ENWL will continue to be offered until the remaining £98,000 of the £500,000 allocated by Cabinet in 2014 is spent.

4.0 DELIVERING THE PROGRAMME

- 4.1 Development and delivery of the remainder of ENWL and the proposed phase two will require a substantial amount of officer time from the Business Focus team. Business Focus will provide the overall management, the day-to-day running and the administration of the programme. As part of the 2016 Business Focus service review the capacity of the team has increased. All posts within the team are expected to be filled by December 2016.

- 4.2 The Business Focus team will directly deliver the grants programme and act as the central point of contact for all grant applicants. Similarly to the original ENWL programme, the grant applications will require input from officers in other Council departments to provide the necessary due diligence. The original ENWL grants programme included due diligence contributions from: Legal Services, Financial Services, Revenue & Benefits (Business Rates), Planning & Development and Environmental Health.
- 4.3 The specialist business advice and consultancy proposed as part of phase two of ENWL meets a need that is not being met through other existing public support services. The specialist nature of this support means these services will be procured externally and has been costed in to the proposal. The Business Focus team will provide the ongoing management and support to the consultancy who successfully tenders for the work. The initial procurement process will require officer time from the Procurement Officer.

5.0 COMMUNICATIONS

- 5.1 The ENWL programme will continue to be underpinned by a bespoke communications plan. This plan will be prepared and delivered by the Business Focus Team and the Communications Team.