

North East Derbyshire District Council

Cabinet

8 July 2015

Creation of an Urban Design Academy Social Enterprise

Report No EAH/MG/03/15-16/AWC of Councillor Mrs E A Hill (supported by Councillor J Austen) and Councillor M Gordon, Portfolio Holders with Responsibility for Housing Strategy, Social Inclusion and Environment

This report is public

Purpose of the Report

- To seek member approval to create a social enterprise based on the Urban Design Academy covering the district of North East Derbyshire.

1 Report Details

- 1.1 North East Derbyshire District Council established the Urban Design Academy (UDA) in 2010 with the aim of improving design excellence across the district and progressing the place shaping agenda. Since its inception, the UDA has undertaken a number of initiatives, including instigating the Building for Life scheme, the creation of the Urban Design Best Practice Group, organised a regional Urban Design Best practice event hosting national speakers, organising site visits to best practice schemes and organising staff and member training and mentoring, amongst other things.
- 1.2 A social enterprise is a business that trades to tackle social problems, improve communities, people's life chances, or the environment. They make their money from selling goods and services in the open market, but they reinvest their profits back into the business or the local community (*Source: Social Enterprise UK*)
- 1.3 Social enterprises can be formed under a number of different legal structures. They can be either an Incorporated or an Unincorporated company. They can also be either a company limited by shares (CLS) or a company limited by guarantee (CLG) and can also be a Community Interest Company (CIC). Finally, they can also take on charitable status.
- 1.4 Most social enterprises are governed by a board of trustees or directors. These are usually people who have an interest in the aims and objectives of the social enterprise, and who have the skills and training to be able to perform a specific role on the board (e.g. financial, project management skills etc).
- 1.5 The Economic Development Unit are examining the possibility of turning the Urban Design Academy into a social enterprise. The remit of the social enterprise will remain broadly the same, but will broaden to encompass the wider place-shaping

responsibilities. This would include public art, green infrastructure and town centre regeneration, amongst other things. The team will research the legalities and governance issues and will produce a report for a later Cabinet which outlines proposals for how the social enterprise should be structured.

2 Conclusions and Reasons for Recommendation

- 2.1 The most obvious benefit of turning the Urban Design Academy into a social enterprise, is financial. Social Enterprises have access to external funding streams that are unavailable to the Council as a local authority. This lack of ability to gain external funding has inhibited the Academy somewhat and has meant that some of the plans that were originally envisioned for it have not been able to be fully implemented. Becoming a social enterprise would remove this restriction and allow the UDA to have a greater impact.
- 2.2 Also, becoming a social enterprise would allow the UDA the potential to become self-financing in future years. As a business, the UDA would be able to charge for its services. The profits raised from this could then be used to help fund additional projects that meet the UDA's aims and objectives.
- 2.3 Finally, becoming a social enterprise would mean that the UDA would be able to involve the local community and stakeholders in its work and its governance. This would allow the UDA to call upon a larger pool of skills than it currently does, enabling it to improve the quality of the work and services it will produce.
- 2.4 Therefore, it is felt that there are a lot of potential benefits in turning the Urban Design Academy into a social enterprise, and the Economic Development Unit should examine the options in greater detail and come back to Cabinet with firm proposals.

3 Consultation and Equality Impact

- 3.1 The Urban Design Academy has consulted with stakeholders on numerous occasions for the various projects that it has undertaken. This consultation has always resulted in positive feedback about the work of the UDA. Consultation will continue to be undertaken on a project by project basis.
- 3.2 It is expected that an Equalities Impact Assessment will be undertaken prior to the launch of the UDA as a social enterprise. Any recommendations from the EIA will be incorporated into how the UDA is set up and operated.

4 Alternative Options and Reasons for Rejection

- 4.1 The various governance models will be examined and staff will report back to members their recommendations.. The most viable and suitable option will then be chosen and will be presented at a future cabinet meeting for approval.

5 Implications

5.1 Finance and Risk Implications

- 5.1.1 There are no financial or risk implications involved in the examination of creating a social enterprise. The financial and risk implications of actually creating the social

enterprise will be examined by officers and will be presented at a future cabinet meeting.

5.2 Legal Implications including Data Protection

5.2.1 As 5.1 above.

5.3 Human Resources Implications

5.3.1 Officer time will be required to investigate models of governance.

6 Recommendations

6.1 That the Economic Development Unit be tasked with examining the possibility of turning the Urban Design Academy into a social enterprise and bring their findings and recommendations back to a future cabinet meeting.

7 Decision Information

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	No
District Wards Affected	All district
Links to Corporate Plan priorities or Policy Framework	Links to the Corporate Aims 'Unlocking Growth Potential' and ' Supporting our Communities to be Healthier, Safer, Cleaner and Greener'.

8 Document Information

Appendix No	Title
N/A	N/A
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
N/A	
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