

North East Derbyshire District Council**Growth Scrutiny Committee****11 April 2019****NEDDC Partnerships Team Activities in Support of Growth****Report of the Strategic Partnership Co-ordinator**

This report is public

Purpose of the Report

- To inform the Growth Scrutiny Committee of the contribution made to the NEDDC Growth Agenda in 2018/19 by the NEDDC Partnerships Team.

1 Report Details

- 1.1 The Partnerships Team is responsible for the delivery against 6 Targets identified in the 2015-2019 Corporate Plan, each of which with links to the Growth Agenda.
- 1.2 Contributions to the Growth Agenda in 2018/19 include:
- 1.3 2014-2020 Bolsover-North East Derbyshire (BNED) LEADER Approach (Growth Strategy Supporting Enterprise #7: Rural Development Action Plan)**
- 1.4 Bolsover North East Derbyshire (BNED) LEADER is a European Funded Programme which aims to develop a vibrant, dynamic and diverse rural economy and increase economic productivity and growth, primarily aimed at businesses but also available to voluntary and public organisations for certain activities. Following a change in the exchange rate the Rural Payments Agency (RPA) has advised that the programme funding allocation is £1,237,704.00. The current Programme commenced in 2015 and the deadline for approving and contracting projects is currently June 2019.
- 1.5 At the time of writing the programme has approved 31 projects totaling £1,142,050.10, with 29 contracted and 2 applicants in the process of returning their signed contract offers. These projects are committed to generating £1,592,468.40 match funding and creating 68.82FTE jobs, which is a unit cost of £16,585 per job, significantly lower than the national £25,000 per job target used by the LEPs. This also exceeds to programme target of 44 jobs and 65 stated in the Corporate Plan.

Table 1.1: Current Programme Position

Council area	Total Queries	EOI Endorsed	Awaiting FA	In Appraisal	Approved
Total	275	92	5	1	31
Bolsover DC	70	26	2	1	11
NEDDC	162	66	3	0	20
Out of BNED Area Queries	43	-	-	-	-

Grant Involved	-	-	£262,200.00	£23,198.40	£1,142,050.10
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Table 1.2 BNED LEADER Contracted Projects

Applicant	District	Grant Awarded	Jobs Contracted	Date
J E Seals & Son: Modernise Dairy	NEDDC	£33,581.20	2	27/10/2016
TA & E Bown & Son: Holiday Lodges	NEDDC	£50,000.00	1	21/12/2016
Swim 121: Facility Upgrade	NEDDC	£25,024.88	1	17/01/2017
Carlton Woodmill, Hydraulic Sawmill	NEDDC	£38,436.70	0	10/10/2017
Eckington Civic Centre: Facility Upgrade	BDC	£30,920.55	3	15/11/2017
RM Wright Ltd: Cattle Handling	BDC	£4,964.00	0	30/01/2018
Glapwell Parish Council: MUGA	BDC	£41,983.60	1	01/05/2018
Speetley Equestrian: Cafe	BDC	£23,994.98	5	01/05/2018
Halford & Son: Dairy Robotics	NEDDC	£69,011.30	0	13/06/2018
Deer Park Play Area	NEDDC	£42,123.28	0	13/06/2018
Stainsby Festival: Bar Facilities	BDC	£18,847.42	0	28/06/2018
Lime Tree Care: New Care Home	BDC	£175,000.00	29.5	28/06/2018
J E Seals & Son: Improved Herd and Calf Feeding	NEDDC	£19,185.60	0	28/06/2018
GE Wilmott & Son: Livestock Handling Equipment	NEDDC	£8,298.57	0	16/08/2018
J & SR Thompson: Butchery Extension	NEDDC	£26,350.86	2	16/08/2018
RM Wright Ltd Seed Drill	BDC	£12,700.00	0	16/08/2018
Sitwell Arms Refurbishment	NEDDC	£28,861.95	8	11/10/2018
Burton Holiday Let Property	NEDDC	£57,730.19	1.54	28/09/2018
Woodthorpe Grange Dairy Unit	NEDDC	£8,324.80	0	24/10/2018
Locko Lane Caravan Site	BDC	£7,167.41	0.25	11/10/2018
Ottewell Low Disturbance Seed Drill	BDC	£6,300.00	0	08/10/2018
Riber Products New Tooling	NEDDC	£10,053.38	2	05/11/2018
Commercial Production of Kombucha	NEDDC	£32,455.90	3.5	19/11/2018
Unstone Parish Council: Park	NEDDC	£24,995.81	0	30/11/2018
E Neville: Cow Comfort Mattresses	NEDDC	£7,600.00	0	31/01/2019
Turner – Amfrec: Refurbished Mill Business Units	NEDDC	£101,820.03	1.5	31/01/2019
Cookie Dough Company	NEDDC	£9,966.78	3	31/01/2019
Ark Engineering: Factory Growth	NEDDC	£12,192.80	1	21/02/2019
Jessop: Precision Farming	BDC	£40,540.00	0	25/02/2019
To be identified once contracted	BDC	£164,160.00	2	22/03/2019*
To be identified once contracted	NEDDC	£11,729.68	0.53	22/03/2019*

* awaiting return of signed contract

- 1.6 With £95,653.90 remaining and over £285,000 of potential projects in the pipeline, efforts are focused on allocating the budget by the end of June 2019, although focus will be on ensuring appropriate allocation of public funds. Dialogue with the RPA continues in order to identify if additional monies can be secured or whether non-contracted funds have to be returned by a specific deadline for their reallocation.
- 1.7 Whilst the programme is secured from any risk associated with the United Kingdom's withdrawal from the European Union, as an EU funded programme this will be the final round of the LEADER Approach. However, a watching brief is being maintained in terms of central Government introducing new funding schemes that cover the area more comprehensively, such as the proposed Shared Prosperity Fund which is currently in development.
- 1.8 The North East Derbyshire Business Growth Fund (BGF)
(Growth Strategy Supporting Enterprise #3: Business Support Package and #5: Accelerate Business Start-ups)**
- 1.9 £66,500 has been ring-fenced from the Council's Invest to Save budget to target businesses in areas ineligible for BNED LEADER funding (Clay Cross, Dronfield and Tupton) who can evidence that a grant would enable significant growth, job creation, increased turnover/expansion or other added value. Grants between £500 and £4,000 can support a range of capital and revenue activity such as extending and improving premises, websites and signage, business start-up costs and equipment, ICT and machinery. The fund will end in March 2019, which was the end date of BNED LEADER prior to its recent extension.
- 1.10 To date 15 successful BGF applications have been awarded a total of £51,079.23 and are contracted to generating £55,489.42 match funding and to deliver 20.65 FTE jobs. Grants totalling £42,881.91 have been paid to date and 15.4 FTE are now in place which is a current unit cost of £2,785 per job. This is significantly higher value for money than the £25,000 per job rate used by the LEPs and shows the value of lower-limit funding schemes.
- 1.11 The contracted match funding rate is, at 52.08% of overall costs, significantly higher than the 10% minimum expected in the funding guidelines. This continues to show the business commitment to invest in their operations and grow within the District should a level of seed-corn funding be available.
- 1.12 Only a nominal increase of £3,208.78 in NNDR has been generated due to the size of businesses supported, which are typically exempt from Business Rates. Increased turnover totalling £280,098 has been reported by the first three projects that have completed their monitoring period and provided annual accounts, and it is expected that this figure will increase considerably as and when more projects are completed.
- 1.13 Recently evaluated and presented to Cabinet with generally very positive feedback from businesses, the BGF has been a valuable exercise evidencing the value and demand for a smaller grant funding scheme in NED District. It has shown the capability of officers from a range of departments working together to successfully deliver the programme, building up skills and confidence within the organisation to undertake future programmes. However, given the financial savings the Council needs to make, it was not felt to be a current priority to extend the BGF beyond the

financial year or to a wider geographical area and instead promote the emerging national Government programmes such as the Shared Prosperity Fund.

Table 1.3 NEDDC BGF Contracted Projects

Applicant	Location	Grant Awarded	Match Funding	Jobs Created	Date
Paperclip Admin Ltd: bespoke software	Dronfield	£4000.00	£2635.00	3	Feb-Oct16
JGW Training Ltd t/a Skills for Careers: website system	Dronfield	£3058.00	£5111.00	2.5	Jun-Dec16
Inspire Design & Development Ltd: website	Clay Cross	£1000.00	£2875.00	1.4	Jun-Sep16
Alma Osteopathic Practice: renovate treatment room	Clay Cross	£3800.00	£7048.31	0.5	Oct16-Dec17
STAL Ltd: dust extraction system	Clay Cross	£4000.00	£4759.02	4	Oct16-Dec17
Killer Byte Ltd: advertising	Dronfield	£800.00	£5000.00	0	May17-Mar18
New Oak Estates: office start-up	Clay Cross	£3985.43	£1472	1.5	Aug-Nov18
Hopjacker Brewery Ltd: equipment	Dronfield	£4000.00	£2321.00	0	Jun17-Dec18
Reconnected Kinesiology Therapy: marketing	Clay Cross	£2582.48	£1760.00	0	Nov17-Mar18
Ashover Cider Company Ltd: Fork lift truck	Clay Cross	£3731.00	£3500.00	0.5	Mar-Sep18
We Do More Than Print Ltd: Machinery	Clay Cross	£4000.00	£14535.83	1	Jun18-Mar19
Matt Smith Pet Care Ltd: ultrasound scanner	Clay Cross	£4000.00	£1382.00	1	Jun-Aug18
Evolution Composites Ltd (JMC): automated cutter	Clay Cross	£3878.75	£1382.00	0	Oct18-Jan19
The Akademy Ltd: Bar refurbishment	Dronfield	£4000.00	£500.00	0	Nov18-Jan19
Ananda Foods Ltd (2): production equipment	Dronfield	£3960.00	£440.00	1	Feb19

1.14 Indirect Growth Activity

1.15 Sustainable and inclusive Communities are more attractive for inward investors, visitors and prospective residents. To maximise the districts potential to be a place where people want to live, work and prosper the Partnership Team engages with the following activity which indirectly contributes to the Council's Growth Agenda:

- Facilitating the Council's annual budget of £132,799 allocated to the voluntary sector to provide support and assistance to vulnerable members of the community. 20,832 households were supported by the advice agencies in 17/18, rising from

19,681 in the previous year, most support towards welfare benefits, Universal Credit, debt and housing issues.

- Representing the Council on the Board of Chesterfield & North East Derbyshire Credit Union, helping to develop the organisation. The arrangement ended in March 2019 although it is likely that CNEDCU will seek Member representation in future. At December 2018 CNEDCU had 4,795 members with 1,335 from North East Derbyshire (27.84% of total). This is an increase from 4,266 members and 1,212 from North East Derbyshire in the previous year. Initially approaching CNEDCU for a loan, many residents are now saving for the first time, to help them in the route to financial sustainability.

2 Conclusions and Reasons for Recommendation

- 2.1 The Partnerships Team aims to play a key role in delivering the Council's Growth Agenda. Contributions are through:
- management of funding programmes which directly facilitate economic growth and job creation;
 - and community-based and individual-focused interventions which help to improve the physical infrastructure of local communities and remove barriers which hinder the ability of residents to become fully engaged within the local economy.

3 Consultation and Equality Impact

- 3.1 The Partnerships Team works with other departments to engage with partners, businesses and communities across the District to identify their needs, aspirations and any barriers to economic growth and participation.

4 Alternative Options and Reasons for Rejection

- 4.1 Each contributory activity has been assessed in line with standard NEDDC policy. Delivery arrangements are regularly reviewed to ensure targets and outputs are achieved in the most effective way possible.

5 Implications

5.1 Finance and Risk Implications

- 5.1.1 Adherence is maintained to NEDDC's Financial Regulations and Joint Risk Management and Partnerships Strategy, as well as external financial controls agreed through Service Level Agreement (such as with the Rural Payments Agency for the BNED LEADER Programme).

5.2 Legal Implications including Data Protection

- 5.2.1 Adherence is maintained to Service Level Agreements and NEDDC's Legal and Data Protection Policies.

5.3 Human Resources Implications

- 5.3.1 Evaluation of workload implications upon the Partnership Team is undertaken in regular individual, team and Service Planning reviews. Engagement with other

departments required to assist in delivery is maintained to ensure targets are achieved and to identify other activities and services delivered.

6 **Recommendations**

6.1 That the report is noted.

7 **Decision Information**

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/> NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
Has the relevant Portfolio Holder been informed	NA
District Wards Affected	All
Links to Corporate Plan priorities or Policy Framework	All

8 **Document Information**

Appendix No	Title
NA	NA
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)	
NA	
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