

North East Derbyshire District Council

Growth Scrutiny Committee

27 February 2020

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 2019/20 by the NEDDC Partnerships Team.

1 Report Details

- 1.1 The Partnerships Team is responsible for two primary areas of work which link to the Growth Agenda. Contributions to the Growth Agenda in 2019/20 include:
- 1.2 **2014-2020 Bolsover-North East Derbyshire (BNED) LEADER Approach (Growth Strategy Supporting Enterprise #7: Rural Development Action Plan)**
- 1.3 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) which oversees LEADER at a national level has advised that the programme funding allocation is £1,237,704.00. The current programme commenced in 2015 and following changes in the deadline for approving and contracting projects (which was affected by Brexit), the programme closed nationally to new applications on 30th September 2019.
- 1.4 The programme approved 37 projects totaling £1,248,695.88, with £707,329.77 awarded to North East Derbyshire area projects. Due to several individual projects' cost savings, the amount contracted/claimed is £1,233,675.63. The difference will be used for NEDDC staffing costs for monitoring the programme.
- 1.5 The projects are committed to generating £1,603,398.82 match funding and creating 68.82FTE jobs, which is a unit cost of £18,144 per job, 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 last Corporate Plan. Other key outcomes are:

Table 1.1: Current Programme Position

	Total Funding Allocated	Jobs	Wage Change	New Techniques	Day Visitors	Overnight Stays	Population Benefitting
NED	£707,329.77	27.07	+£445,703	13	20.00	5428	24185
Bolsover	£541,366.11	41.75	+£852,585	8	250	355	0

Table 1.2: Current Programme Position

Council area	Total Queries	EOI Endorsed	Awaiting FA	In Appraisal	Approved
Total	286	98	0	0	37
Bolsover DC	74	26	0	0	12
NEDDC	170	72	0	0	25
Out of BNED Area Queries	43	-	-	-	-
Grant Involved	-	-	-	-	£1,248,695.88

Table 1.3 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	NEDDC	£7,600.00	0	31/01/2019

Mattresses					
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
Pleasley Pit Café & Visitor Centre	BDC	£164,160.00	2		22/03/2019
H.A.R.P. Holiday Barn	NEDDC	£11,729.68	0.53		22/03/2019
Shacklock - Irrigation pump	BDC	£7,272.00	0		19/07/2019
Chartwell Avenue Park	NEDDC	£24,890.00	0		19/07/2019
Remodelling Parks - Sharman Park	NEDDC	£30,000.00	0		19/07/2019
LED Sports Hall Lighting & Upper Gym Air-Conditioning	NEDDC	£13,928.00	0		27/09/2019
Eckington Civic Centre Improvements	NEDDC	£16,606.40	0		27/09/2019
Eckington Cemetery Improvements	NEDDC	£5,160.80	0		27/09/2019

- 1.6 The BNED LEADER team has 2 dedicated officers (1.4 FTE) whose time is fully funded by the RPA. In kind support towards programme administration is provided by other Partnerships Team whilst appraisals are undertaken by officers from the Partnerships and Economic Development Teams of the two District Councils. Although challenging on occasion due to the availability of appraisers, all duties were fulfilled. The RPA has recently announced an extension to the time that the costs of the LEADER officers can be reclaimed (up to January 2022) and this will be maximised wherever possible so they can complete a fully compliant programme closure, the evaluation, arrange project tours and undertake the contractual project monitoring duties.
- 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 was 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 could evidence that a grant would enable significant growth, job creation, increased turnover/expansion or other added value. Grants between £500 and £4,000 supported 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. An End of Programme Evaluation was published in February 2019 although due to an extension of the BNED LEADER end date, the fund was extended to June 2019.

- 1.10 18 successful BGF applications have been awarded a total of £59,549.76 and are contracted to generating £71,244.30 match funding and to deliver 23.65 FTE jobs, which is a current unit cost of £2,518 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. Grants totalling £51,379.75 have been paid to date and 17.4 FTE are now in place.
- 1.11 The contracted match funding rate is, at 54.47% of overall costs, significantly higher than the 10% minimum expected in the funding guidelines. This shows 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 £383,402 has been reported by ten 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 The evaluation identified generally very positive feedback from businesses and 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 has not been felt currently appropriate to extend the BGF for future years or to a wider geographical area and instead promote the long-awaited 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	Clay Cross	£2582.48	£1760.00	0	Nov17-Mar18

Kinesiology Therapy: marketing					
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
Peak Shelters & Peak Showjumps: tools and equipment	Clay Cross	£3551.54	£599.00	2	Mar19
Atrium Dronfield Ltd: kitchen equipment	Dronfield	£618.99	£400.54	0	Apr19
The Corrugated Case Company Ltd: website, marketing and CRM system	Clay Cross	£4000.00	£14,730.00	1	Jun19

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. Monitoring for 19/20 is not yet available but 22,944 households were supported by the advice agencies in 18/19, rising from 20,832 in the previous year, most support towards welfare benefits, Universal Credit, debt and housing issues.
- Co-ordinating the Council's support to the Armed Forces Community, the Team publicises the opportunities available to residents who, following registration, receive a visit from the Home Improvement Co-ordinator to undertake a full review of personal requirements. Where possible Council, partner and charity support is harnessed to provide assistance including grants for mobility scooters, energy audits, new boilers, addressing damp and mould problems and referrals for Disabled Facilities Grants via occupational therapists.

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)	
End of Programme Evaluation – NEDDC Business Growth Fund	
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