



REPORT FROM: HOUSING, HEALTH AND ECONOMIC DEVELOPMENT SERVICES MANAGER

TO: POLICY AND RESOURCES COMMITTEE

DATE: 26th JUNE, 2018

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GEARING UP FOR GROWTH

PURPOSE OF REPORT

To update Members on the achievements of the Gearing up for Growth Programme during 2017/18.

To propose activity and budget allocations for the remaining year of Gearing Up For Growth Programme in 2018/19.

RECOMMENDATIONS

That the Planning and Resources Committee:-

- (1) Note the Programme's achievements during the last financial year.
- (2) Approve the proposed activity and respective budget allocations for the Programme in 2018/19.

REASON FOR RECOMMENDATIONS

To update Members on the achievements of the programme in 2017/18 and to consider the programme for this financial year 2018/19.

BACKGROUND

1. The Jobs and Growth Strategy was approved by the Executive in November 2013. To deliver the Strategy the Council identified the need to support the expansion of existing companies as well as the growth of new companies.

2. Since 2013 the Council has approved funding for the Gearing up for Growth programme. The aim of the Gearing up for Growth Programme is to:

- increase business competitiveness
- create new job opportunities
- safeguard existing jobs
- stimulate private sector investment
- retain expanding local companies
- attract new companies to the Borough
- increase skills in local companies
- increase skills in the future workforce working with schools and colleges
- allow the Council to respond positively to business growth

3. The main elements included in the current programme are:

- **Start up** grant support - 50% of eligible cost up to max £2,000
- **Grants for Growth** - 25% of eligible costs up to £10,000
- **Work Inspiration** - annual event to allow pupils aged 13-14 years to see jobs on offer locally
- **Business Week** - annual event providing specialist information to improve performance of local companies
- **Vision Board** – Group of key local companies lobbying for and supporting development of the local economy. The Vision Board have oversight of the bi-annual Pendle Business Awards.
- **Business Class Hub/Enterprise Advisors** linking schools and businesses to increase skills, employability and aspirations of the future workforce.
- **Lancashire Sport Partnership Proposal** aims to improve mental health through sport and physical activity interventions and in doing so, improve ability and confidence in accessing the job market.
- **DWP Work Programme** a programme of support to help people back into work.

	Start up Grants	Grants For Growth	Work Inspiration	Business Week	Vision Board	Business Class Hub/Enterprise Advisors.
Increase business competitiveness		X	X	X	X	
Create new job opportunities	X	X				
Safeguard existing jobs		X				
Support Private sector investment	X	X				
Retain expanding local companies		X				
Attract new companies		X				
Increase skills			X	X		X
Allow the Council to respond positively	X	X	X	X	X	X

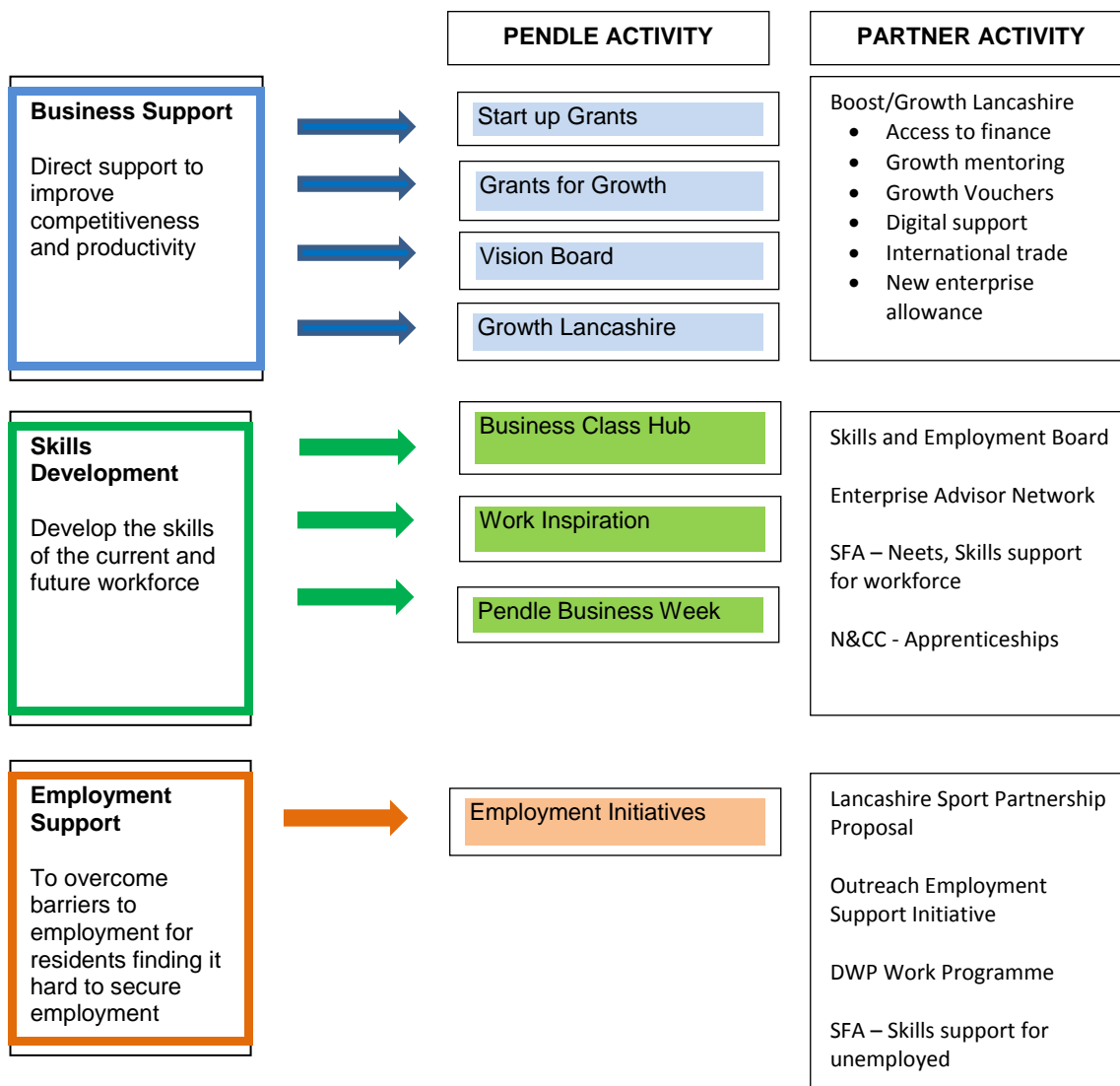
PROGRAMME FOR 2018/19

4. The Gearing up for Growth programme was developed to take account of the needs of the local economy but not duplicate support available to Pendle companies from other agencies, such as Growth Lancashire and the BOOST programme.
5. We want to make best use of the Councils limited resources and allocate it in a way that supports both the residents and businesses to contribute to the economic sustainability of the Borough. There are three main areas where the Council can usefully intervene:

Business Support - Direct support to improve the efficiency and sustainability of local businesses, including signposting to support available from our partners.

Skills Development – Support to develop the skills of the current and future workforce to maintain competitiveness and productivity.

Employment Support – Help to overcome barriers to employment for our residents finding it hard to secure employment



PROPOSED AREAS OF ACTIVITY FOR 2018/19

BUSINESS SUPPORT

Start-up Pendle

6. It is proposed that this successful grant scheme to support the start-up of local businesses within Pendle be continued throughout 2018/19. These small grants of up to £2,000 have resulted in the creation of 155 new businesses since the programme began, which are helping to diversify the local economy and become the employers of the future.
7. In 2017/18 the Start-Up support programme has assisted 11 new Pendle businesses, creating 29 new jobs for the Pendle economy.
8. As well as providing financial support, the start-up programme buys-in business advice from Enterprise Lancashire to ensure the applicant can provide robust business plans with their applications. Businesses can receive up to 3 hours of free business advice.
9. The Start-Up Programme has also funded a number of workshops designed to help people become business ready. These workshops are jointly funded and hosted by Burnley Council. This joint working allows businesses to access free training throughout the year.
10. A new allocation of £30,000 is proposed for 2018/19. A total allocation of £43,425 is suggested, which includes £13,424.64 of committed grants that are yet to be defrayed.

Grants for Growth

11. The aim of these grants is to stimulate private sector investment which will support growth in our existing companies and increase their competitiveness. Grants of £10,000 are available where total project costs are £40,000 or above and the proposal results in new job creation.
12. Nine businesses have been approved a grant for growth this financial year which are expected to generate nearly £940,000 worth of private sector investment. The programme will also create a proposed 49 full time jobs and safeguard an additional 53.5 full time equivalent jobs. In addition to this, the programme will create 1,208 square metres of new industrial floor space whilst assisting with improving an additional 11,700 square metres of existing industrial floor space in Pendle.
13. As a continued review of the grant programme offered through the Gearing Up For Growth programme, the Business Support Team investigated the type of funding offered by other authorities, including options such as loans and equity financing. Although a loan programme would be more sustainable, it was concluded that other partners already offer loan financing, and a Pendle loan scheme wouldn't offer anything that isn't already available through partner organisations. Other local authorities that offer a loan programme, have seen significantly less take-up compared to grant funding.
14. Due to the popularity and quality of applications approved in 2017/18 the programme was oversubscribed and therefore some of the 2018/19 was allocated within that financial year to ensure these growing businesses could be supported. A further £53,500 has been committed but not yet defrayed.
15. A new allocation of £80,000 for 2018/19 is proposed, giving a total allocation of £105,704, which includes £53,500 of committed but yet to be defrayed grants.

Vision Board

16. To increase the effectiveness of the Vision Board members who act as ambassadors for the Borough, it is proposed that we produce appropriate lobbying and promotional material for the business activity in the area. Suitable options will be discussed by the Chairman's group of the Vision Board in the future.
17. The Vision Board has continued to support Pendle Connects. This is a business networking initiative, which runs quarterly. The networking event is open to all Pendle businesses and includes an expert panel based around a changing theme and presents a chance for business-to-business networking, and is free to attend.
18. An allocation of £7,000 is proposed for 2018/19 to support the work of the Vision Board in lobbying, promoting the local economy and funding the Pendle Connects events.

Growth Lancashire

19. Regenerate Pennine Lancashire was developed by the East Lancashire local authorities to be the delivery vehicle for the sub region and all local authorities made an annual contribution to maintain it. Since the advent of the Lancashire Enterprise Partnership (LEP) the remit for Regenerate has widened to include the whole of Lancashire hence the change of name to Growth Lancashire. Growth Lancashire delivers the LEP Growth Hub (Boost Business Lancashire). This involves providing a one stop shop for all business support enquiries across Lancashire.
20. There are a number of initiatives available to Pendle businesses through Growth Lancashire and we actively promote these services, including the BOOST business support programme.
21. The table outlines the support given by Boost Lancashire to Pendle based businesses and the outputs that support has achieved between April 2017 and March 2018.

Output	Pendle
C1 - Intensive Support (12hrs)	23
C8 - Jobs Created	32.37
P11 - Pre Starts Assisted	3
P13 - Diagnostic & Brokerage (3hrs)	61
C2 - Growth Vouchers obtained	4
C2 - Growth Voucher defrayed	£ 10,000.00
C6 - Total Private Sector defrayed	£ 10,000.00

22. Growth Lancashire also undertook a number of projects on behalf of Pendle Council, including: town centre occupancy surveys, and updating the Pendle Companies' Register.
23. A £15,000 allocation is proposed for this financial year to support the continued delivery of initiatives by Growth Lancashire.

SKILLS DEVELOPMENT

Business Class Hub

24. In the 2015/16 the Grants Panel approved an allocation of £40,000 (£13,000 per academic year) for the Pendle Business Class Hub which is a 3-year pilot project in partnership with Business in the Community (BITC). The project aims to address the concerns raised by local businesses about the work readiness of school leavers. The project helps to align education and employment by creating effective and mutually beneficial partnerships between schools and businesses to improve academic achievement and increase employability. .
25. The pilot began delivery in September 2016, and will continue to develop over the next two academic years. The Hub activities are developed based on the areas identified on the schools' individual needs analysis.
26. The Business Class Hub programme has struggled to have a lasting positive impact in the two pilot schools (West Craven and Marsden Heights), it is therefore suggested that the funding for 2018/19 be de allocated.
27. After undertaking a end of year review the Business Class Hub programme has become surplus to requirements due to the emergence of the LEP funded Enterprise Advisor Network.

Enterprise Advisor Network

28. The Lancashire Enterprise Partnership (LEP) Skills Board working with the Careers and Enterprise Company have created an Enterprise Advisers' Network for all Pendle Schools. Each Secondary school in Pendle and Nelson and Colne College has been linked with an Enterprise Adviser drawn from local businesses. They will work directly with the leadership of individual schools to develop effective employer engagement programmes and accessing links to their wider network of businesses.
29. The Enterprise Advisor network has continued to develop in all secondary Pendle Schools and Nelson and Colne College. The programme continues to increase the links between businesses and education. Each School has a development plan, worked up with education and careers in mind, which includes activities such as mock interviews, enterprise days and business site visits.

Work Inspiration Event

30. Working in partnership with Nelson & Colne College, other partner organisations, and local businesses a one-day event hosted at the College is held in February each year. The event allows pupils aged 13-14 years to try small practical activities with the businesses to learn about their industry.
31. All six Pendle secondary schools participated in 2018, with over 900 pupils attending. Local businesses took part to show the pupils what job opportunities there are locally. Overall the pupils, teachers and businesses said it was a worthwhile and enlightening process.
32. It is proposed to continue to run this event in February 2019 at a cost of approx. £1,500.

Pendle Business Week

33. During Pendle Business Week, Pendle Council and Pendle Vision, along with a host of business specialists, ran a series of free to attend seminars and workshops for local businesses. The aim is to improve the business environment, skills and confidence for businesses to start and grow here in Pendle.
34. During Pendle Business Week 2017, 17 events were organised with a total of 206 businesses attending the sessions.
35. It is proposed to run a series of business support events again in October this year. Working closely with other business support agencies (such as BOOST), to deliver a week of free business support/learning seminars and workshops.
36. It is proposed to allocate £5,000 to deliver this activity, and continue to grow the number of businesses assisted.

Graduate Recruitment

37. In order to make the best use of the available resource the Gearing up for Growth Grants Panel agreed in July 2015 that it would be best to stop the Graduate Programme.
38. All the graduates employed by Pendle businesses through the graduate scheme, have completed their two year funded contracts, and therefore no further budget is required for external graduates.
39. There is also presently one graduate placed within Pendle Council, who is working within our Business Support Team until November 2018.
40. An allocation of £8,000 funding is required for this financial year. This element of funding covers the remaining months of employment for the graduate working in Business Support.

EMPLOYMENT SUPPORT

Employment Initiative

Employment Support initiative (£100,000)

41. We are working with partners such as Job Centre Plus, East Lancashire CCG and Bootstrap to develop an Employment Support Initiative targeting Pendle's priority wards and in particular those that are in receipt of Employment and Support Allowance (ESA).
42. Work has already been undertaken with the CCG and DWP to initiate the work in the form of the Patient Advisory Service, which provides advice and guidance for those ESA claimants in a primary care setting.
43. The community based employment support initiative would run for at least two years, recognising the need for longer term interventions.
44. A budget allocation of £100,000 was previously approved.

Lancashire Sports Partnership (LSP) proposal (£50,000)

45. Around 45% of Pendle ESA claimants experience poor mental health and wellbeing. The proposed initiative with the LSP aims to improve mental health through sport and physical activity interventions and in doing so, improve ability and confidence in accessing the job market.
46. LSP will deliver the two year project, working in partnership with the Pendle Leisure Trust and Job Centre Plus, to offer beneficiaries a range of free community based exercise opportunities as part of a wider support package for their recovery journey.
47. The Lancashire Sports initiative commenced in Nov 2017. Although we were successful in drawing down £10,000 match funding from Sport England, Pendle Leisure Trust were unsuccessful in an Awards for All proposal, making the total year one project cost £35,000.
48. Quarter one monitoring form indicates some encouraging progress with 31 claimants from the target wards of Waterside and Southfield engaged in the project during that period. During the first quarter, seven sport sessions were delivered with an average of eight beneficiaries per session.
49. As agreed previously a budget allocation of £25,000 is required to continue the Lancashire Sports Partnership.

Funding Allocation Overview

50. The table in **Appendix A** shows the spend for the programme in 2017/18 and the proposed budget for the final year of the programme 2018/19.
51. As stated in Appendix A, there is a balance of funds of £46,650, these funds are not currently allocated to a specific project, but could be used to:
- Provide match funding for a joint approach to employer engagement with a partner organisation.
 - Provide seed funding for projects within the Pendle Challenge.
 - Additional funding to support the Pendle Vision Boards objective of promoting Pendle
 - Support Pendle businesses in the recruitment of apprentices, following the Apprentices levy and reforms.
52. The proposed programme will give the Council a balance of activity across all three areas of activity.

IMPLICATIONS

Policy: The continued delivery of the business support service will help the Council to meet its Strategic Objective of Sustaining successful regeneration and sustainable development.

Financial: Members approved funding for Gearing up for Growth Programme from the Business Growth Incentive Reserve at their meeting on 25th August 2016.

Legal: None arising from the report.

Risk Management: None arising from the report

Health and Safety: None arising from the report

Sustainability: The continuation of the Gearing up for growth programme will help maintain a healthy economy.

Community Safety: None arising from the report

Equality and Diversity: The successful delivery and extension of the business support service will continue to make Pendle a place to visit, live, play and invest in. The economic growth of local businesses impacts on the local job market and the local economy; therefore an enhanced service will benefit all sectors of the community in the long-term.

APPENDICES

Appendix A - Gearing Up For Growth: Spend and budget allocations.

LIST OF BACKGROUND PAPERS

None