

Wiltshire Council

Cabinet

11 October 2016

**Subject: Supporting SME Growth, Innovation and Export in Swindon and Wiltshire
ESIF Call ref OC33R15P0261 FULL APPLICATION**

**Cabinet Member: Councillor Fleur de Rhé-Philippe
Economic Development, Skills and Strategic Transport**

Key Decision: No

Executive Summary

The project “Supporting SME Growth, Innovation and Export in Swindon and Wiltshire”, funded by the European Structural and Investment Funds and matched with Swindon Borough Council and Wiltshire Council funds requires the services of a range of business support providers. This report is to request the approval to proceed with issuing contracts to the business support providers procured by the Council in order for the project to be able to deliver business support to SME’s across the Swindon and Wiltshire Local Enterprise Area.

Proposal(s)

1. That Cabinet approves the procurement of business providers for delivery of the ESIF SME Growth project.
2. That Cabinet delegates authority to the Associate Director of Economic Development and Planning in conjunction with the Section 151 Officer, to implement delivery of the project and to approve entering into contract with any successful supplier(s).

Reason for Proposal(s)

To enable the procured business support providers to be issued with contracts to commence delivery of the project.

**Dr. Carlton Brand
Corporate Director**

Wiltshire Council

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Purpose of Report

1. For Cabinet to note the development and submission of the bid for European Structural and Investment Funds (ESIF) under the Call for SME Growth.
2. That Cabinet approves the procurement of business providers for delivery of the ESIF SME Growth project.
3. That Cabinet delegates authority to the Associate Director of Economic Development and Planning in conjunction with the Section 151 Officer, to implement delivery of the project and to approve entering into contract with any successful supplier(s).

Relevance to the Council's Business Plan

4. The following key actions and outcomes in the Council's Business Plan are relevant to this report:

Key Action Two: Stimulate economic growth in partnership with the SWLEP
Outcome One: Wiltshire has a thriving and growing economy

5. The SME Growth project provides an opportunity to simplify the business support service across Swindon and Wiltshire and will allow providers to work together under the Growth Hub banner.

Background

6. The SWLEP ESIF Strategy sets out SME Growth as one of the 4 investment themes:
 - SME growth - support and advice, from start-up through to specialised services to increase competitiveness of local businesses.
7. SME growth is currently delivered through a programme supported by committed funds from Action for Wiltshire.

8. Wiltshire Council has applied for £1.2 million of European Structural and Investment Funds (ESIF). This will be matched by £1.2 million of existing local funding including Wiltshire Council's Action for Wiltshire programme, Swindon Borough Council and private sector match enabling the breadth of support to be increased.
9. The Outline Application was accepted by DCLG on 14 April 2016 and the Council was invited to submit a Full Application. This was submitted on 11 July 2016.
10. The Council issued a PIN (Pre Interest Notification) in the Official Journal of the European Union (OJEU) on 19 June 2016 to procure business support providers within a Framework Agreement. Publication number 2016/S 119-212340.
11. Provider(s) will be awarded contract(s) in October 2016. These contract(s) will be of a value of potentially up to £1,500,000.

Main Considerations for the Council

12. The procurement of the business support providers is now complete and contracts will be awarded once this report has made provision for delegated authority to pass to the Associate Director Economic Development and Planning in conjunction with the Section 151 Officer

Overview and Scrutiny Engagement

13. The SME growth project will be monitored by the Growth Hub Governance Group which is in turn governed by the LEP Business Development sub Group and subject to the S&WLEP's Assurance Framework

Safeguarding Implications

14. There are no safeguarding issues related to this report.

Public Health Implications

15. The local economy is a known contributor to the wider determinants of health. A struggling local economy can lead to higher unemployment throughout the local population. This in turn can impact on the mental and physical health of the population in terms of increasing levels of personal debt and associated mental ill health, fuel poverty, child poverty and homelessness.
16. The project aims to ensure that Wiltshire's economy remains strong and resilient by increasing the rate of business start up, improving survival rates and stimulating business growth.

Corporate Procurement Implications

17. All delivery associated with this project has been procured in line with the Wiltshire Council regulations and process pertaining to procurement. Advice and guidance has been sought from the Strategic Procurement Hub throughout the procurement process.

Equalities Impact of the Proposal

18. The DCLG submission sets out our commitment to consider the equality implications locally and ensure that there are no negative impacts. This will be done throughout the life of the project delivery.

Environmental and Climate Change Considerations

19. The DCLG submission sets out our commitment to consider the environmental impact locally and ensure that there are no negative impacts. This will be done throughout the life of the project delivery

Risk Assessment

20. The table below captures the risks together with impacts and probability assessments and mitigation suggestions.

Risk	Impact (0-4)	Prob (0-4)	Total	Mitigation
The full application is not successful	2	1	2	The project will run with existing Local Authority funds on a lesser scale and shorter time period
The conditions of a DCLG contract are unacceptable so the Council does not proceed with the contract	2	1	2	The project will run with existing Local Authority funds on a lesser scale and shorter time period
The EU funds are withdrawn	2	1	2	The project will run with existing Local Authority funds on a lesser scale and shorter time period
The Swindon Borough Council funds are withdrawn	2	1	2	The project will run with existing Local Authority funds on a lesser scale and shorter time period

Financial Implications

21. The project will be delivered with existing committed funding from the Council's Action for Wiltshire Programme and Swindon Borough Council, together with private sector funding which will be used to match the ESIF funding. This procurement does not require any additional funding from Wiltshire Council.

Legal Implications

22. Lead officers have been working closely with colleagues in Legal Services to ensure that the project complies with European State Aid Regulations and other legal requirements.
23. The project will be managed by a Wiltshire Council management and compliance group formed with members of the economic development team and the providers. This group will report to the Swindon and Wiltshire Local Enterprise Partnership (SWLEP) Business Development sub group on a quarterly basis.
24. The Business Development sub group supports the SWLEP programme management function to monitor review and evaluate progress and delivery on behalf of the SWLEP in line with the SWLEP Assurance Framework and the SWLEP Monitoring and Evaluation Framework.

Conclusions

25. If the ESIF funding is forthcoming as per the full application submitted to DCLG the project will deliver as planned.
26. If the ESIF funding is not drawn down the project will be delivered on a lesser scale, with a value of up to £1.2m and for a shorter time period with existing resources.

Alistair Cunningham
Associate Director Economic Development and Planning

Report Author:

Angela Hays

Manager – Economic Growth and The Enterprise Network

Economic Development and Planning

Wiltshire Council

Tel: 01225 718484

Angela.hays@wiltshire.gov.uk

The following unpublished documents have been relied on in the preparation of this Report:

None

Appendices:

None