

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

4488

Author:

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Department:

Growth and City Development

Contact:

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Subject:

Growth Hub Extension

Total Value:

£125,000 (Type: Revenue)

Decision Being Taken:

To accept and approve the use of £125,000 income from Foresight Investment Fund as Nottingham City Council match funding for the Growth Hub project extension;

Reasons for the Decision(s)

Nottingham City Council is accountable body for the D2N2 Growth Hub project contracted to March 2022. DLUCH (Department of Levelling Up, Communities and Housing, new name for MHCLG Ministry of Housing Communities and Local Government) have indicated that we can extend the project through a Project Change Request (PCR) to June 2023. This will allow continued delivery across D2N2, with a specific Nottingham part of the delivery to support businesses. £125,000 is required for match as the MHCLG funding is 50%. The City Council match is from income from the Foresight fund of £125,000, which has been paid to Nottingham City Council following return of some income from the investment. The Growth Hub is the key business support programme for businesses in Nottingham, and supports over 2000 businesses in the city. Also as accountable body for the D2N2 Growth Hub, Nottingham acts as the lead partner in the wider D2N2 Growth Hub for the benefit for the whole D2N2 Region. This decision is to enable the match funding to be committed and the grant receipt and funding will be made via a separate Executive Board decision in February 2022 ahead of the new project starting in April 2022.

Basis for Recommendation

Strategic: The Nottingham Growth Hub directly delivers the Council Plan priority to support all businesses and help the local economy grow to support jobs growth. It is also an overt part of the Nottingham Economic Recovery and Renewal plan and has provided essential support for businesses as part of the Covid response over the last two years.

Economic<: The Growth Hub supports jobs growth and has engaged with over 10,000 businesses across D2N2 in the past 5 years of existence, helping to deliver economic benefits. This project extension (which will be approved through Executive Board) will deliver £1.5m of grants to businesses, and support directly 400 new businesses, and helps create a further 65 new jobs. Over 200 new businesses will receive high level intensive support (either a grant or over 12 hour of business advisors support) which is a core element of Growth Hub delivery.

Financial The project uses match funding that already is earmarked for the Growth Hub, and supports 13 jobs in the city council and brings in £15m of funding for the city/region. Part of the funding supports other roles in the city in finance and management, and without this, the service would be severely cut back. The expectation is that Shared Prosperity Funding from 2023 will enable the service to continue post this last EU funding for the Growth Hub

Operational: This is the continuation of an existing project, with all roles currently recruited to and delivering. The project extension would enable an extension of this roles until June 2023.;

The project to date has delivered to target, and there is therefore an expectation that it will continue to do so for the period of the extension.

Partnership: The Growth Hub is a partnership project across D2N2 area, with 6 other local authorities and the East Midlands Chamber of Commerce as key delivery partners. This brings in incremental funding to the project through grants from BEIS (Business Energy, and Industrial Strategy). This BEIS funding funds workshops and Peer to Peer networks to the benefit of the whole partnership. The D2N2 Growth Hub is not dependent on continuation of the D2N2 LEP (local Enterprise Partnership which are currently being reviewed by government), but the project today is supported on strategic management by the Business and Innovation Manager at the LEP.

Other Options Considered:

Not doing the project: Rejected, as the Growth Hub is a key part of the business support, for Nottingham and the region

Having another partner take on the accountable body role. Rejected: As the project has been running for 3 years with NCC as the accountable body, changing for the last 15 months of the project would jeopardise the project.

Background Papers:

None

Published Works:

Delegated Decision 3217 Growth Hub 2 ERDF project - July 2018

Affected Wards:

Citywide

**Colleague / Councillor
Interests:**

Consultations: Those not consulted are not directly affected by the decision.

**Crime and Disorder
Implications:** None, as not a crime and disorder related topic

Equality: Please login to the system to view the EIA document: Growth Hub extension EIA.docx

Decision Type: Portfolio Holder

Subject to Call In: Yes

Call In Expiry date: 14/01/2022

Advice Sought: Legal, Finance, Equality and Diversity

Legal Advice: This decision raises no legal issues and merely seeks to approve the use of funds already received, for the purposes of providing the Council with match funding that will enable it to apply for an extension (by way of a project change request) to extend the existing D2N2 Growth Hub project.

Further approvals will be required if a project change request is approved by MHCLG, to authorise the receipt of further funding and to consider the onward application and allocation of such monies.

Advice provided by Dionne Claire Screamon (Solicitor) on 23/12/2021.

Finance Advice: Nottingham City Council are the Accountable Body for D2N2 Growth Hub (DD 3217) which was to last until March 2022. MHCLG have agreed an extension until June 2023. This funding is allocated based on a match funding approach. This decision seeks the approval to accept and allocate £125k from the Foresight Investment fund as part of the match funding for Nottingham City Council. The funding has been paid back to NCC from unused capital and income from investment at a total of £151,793 - please see attached. There will be no financial pressure to the authority. Any unused returns will be transferred to the ring fenced investment reserve as part of the accounting treatment at the financial year end.

As the existing Accountable Body, processes and procedures are already in place to ensure the conditions of the funding are kept and grant claims are submitted in a timely manner.

This decision also requests that authority is delegated to the Director of Economic Development to enter into grant agreements to receive and allocate the funding Advice provided by Michelle Pullen (Commercial Business Partner) on 05/01/2022

Advice documents: N 11324 171 DDM upload.xls

**Equality and Diversity
Advice:**

**There are no impacts to any of the protected characteristics and therefore happy to sign off. Advice provided by Rosey Donovan
(Equality and Employability Consultant) on 20/08/2021, confirmed unchanged 06/01/2022**

Signatures

Rebecca Langton (PH Skills, Growth and Economic Development)
SIGNED and Dated: 06/01/2022
Sajeeda Rose (Corporate Director of Growth & City Development)
SIGNED and Dated: 06/01/2022