

Cabinet Meeting

16 September 2015

Report title	Black Country Growth Hub – Grants to Third Parties	
Decision designation	RED	
Cabinet member with lead responsibility	Councillor John Reynolds City Economy	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All	
Accountable director	Keren Jones, City Economy	
Originating service	Enterprise and Skills	
Accountable employee(s)	Jim Cunningham	Head of Enterprise and Skills
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Report to be/has been considered by	N/A	

Recommendation(s) for action or decision:

The Cabinet is recommended to

1. Recommend to Full Council that it approves grants of £182,550 to the University of Wolverhampton and £60,428 to the Black Country Consortium to deliver products as part of the Black Country Growth Hub.
2. Delegate authority to the Cabinet Member for City Economy in conjunction with Service Director City Economy to agree the arrangements and allocation of the remaining funding of £157,022 to partners and external bodies as determined by the Black Country Growth Hub Board.
3. Agree that the Director of Governance be authorised to approve the execution of the contracts.

1.0 Purpose

1.1 The purpose of the report is to recommend to Full Council that it approves grants to third parties to enable continuation of delivery of the Black Country Growth Hub. The extension until March 2016 is funded by interim funding from the Department for Business Innovation Skills (BIS) and has been approved by the Black Country Joint Committee.

2.0 Background

2.1 The Black Country Growth Hub offers a one stop shop approach to business assistance across the Black Country, with packages of support available to local businesses. It aims to equip Black Country manufacturing Small and Medium Sized Enterprises (SMEs) with the tools and support they need to compete, innovate and take advantage of supply chain opportunities on offer to them.

2.2 Cabinet (Resources) Panel agreed on 26 November 2013 for Wolverhampton to act as accountable body for the Black Country Growth.

2.3 The Black Country Joint Committee approved Wolverhampton City Council to act as Accountable Body for the Growth Hub element of the Black Country City Deal in February 2015.

2.4 Round 1 of the Growth Hub project was funded through the Regional Growth Fund (RGF) via the University of Lancaster as part of City Deal until June 2015. To allow the continuation of the project, BIS has offered interim funding of £400,000 for the Growth Hub to cover the period following the end of the RGF capital grant scheme on 30 June 2015 and the start of the new European Programme, expected early 2016.

3.0 Growth Hub Continuation

3.1 The table below sets out how the Black Country Growth Hub interim funding of £400,000 will be spent between July 2015 and March 2016:

Quarter	Items	Expenditure
2 (Jul-Sept 2015)	Growth Hub Management and Monitoring (Inc. premises costs)	£103,706
	Growth Hub Marketing	£12,434
	Supply Chain Development Activity	£6,280
Total estimated amount for quarter two - £122,420		
3 (Oct – Dec 2015)	Growth Hub Management and Monitoring (Inc. premises costs)	£103,856
	Growth Hub Marketing	£12,434
	Supply Chain Development Activity	£20,000
–Total estimated amount for quarter three - £136,290		
4 (Jan – Mar 2016)	Growth Hub Management & Monitoring (Inc. premises costs)	£103,856
	Annual Accountant's Report	£5,000
	Growth Hub Marketing	£12,434
	Supply Chain Development Activity	£20,000
Total estimated amount for quarter four - £141,290		
Total amount for 2015-16 programme - £400,000		

3.2 To take forward delivery of the Black Country Growth Hub, the interim funding will contribute to key delivery as follows:

Delivery Organisation	Purpose of Growth Hub Interim Funding	Contribution up to	Pump priming grant
University of Wolverhampton	<ul style="list-style-type: none"> Contribution to costs of existing Growth Hub posts provided by the University (Growth Hub Manager; Business Development Officer; CRM and Data Analyst; Claims and Monitoring Officer; Web Developer) Contribution to Business Solution Centre Costs Cost of CRM licences and marketing 	£130,000	£50,000
		£15,250	
		£37,300	
	Total	£182,550	
Black Country Consortium	<ul style="list-style-type: none"> Contribution to costs of existing Growth Hub posts provided by the Black Country Consortium (Access to Finance Manager and Enquiries Officer) 	£60,428	£50,000
	Total	£60,428	
Black Country Chamber of Commerce (to be confirmed)	<ul style="list-style-type: none"> Contribution to the recruitment of Business Navigators whose role would be to reach out and assist more businesses 	£56,000	-
	Total	£56,000	
To be confirmed	<ul style="list-style-type: none"> Supply chain development work 	£46,000	
City of Wolverhampton Council	<ul style="list-style-type: none"> Accountable body costs including Project Director Unallocated balance 	£54,000	
		£1,022	
GRAND TOTAL		£400,000	

4.0 Financial implications

4.1 BIS has made available £400,000 from the Growth Deal to fund the continuation of the Black Country Growth Hub, for which City of Wolverhampton Council is the Accountable Body. BIS funding will be drawn down by Walsall MBC, as Accountable Body for the Growth Deal and paid to City of Wolverhampton Council in accordance with the Growth Hub offer from BIS to Walsall MBC. This has been approved by the Black Country Joint Committee.

- 4.2 This report seeks approval to issue a grant up to £182,550 to the University of Wolverhampton and £60,428 to the Black Country Consortium to deliver the Black Country Growth Hub. This report also seeks approval to delegate authority to the Cabinet Member for City Economy in conjunction with Service Director City Economy to agree the arrangements and allocation of the remaining funding of £157,022 to partners and external bodies as determined by the Black Country Growth Hub Board.
- 4.3 To enable the seamless continuation of Growth Hub delivery and maximise the opportunity to draw down this grant the Cabinet Member for City Economy, in consultation with the Service Director City Economy approved pump priming grants of £50,000 to University of Wolverhampton and Black Country Consortium in advance of full Council approval. These grants are included in the amounts now identified for approval. [ES/27082015/T]

5.0 Legal implications

- 5.1 An appropriate grant agreement in respect of the interim funding between Walsall MBC (accountable body for the Growth Deal) and the City of Wolverhampton Council (accountable body for the Growth Hub) is in place. Grant Agreements between the City of Wolverhampton Council and the University of Wolverhampton, Black Country Consortium and other delivery partners will be put in place.
- 5.2 When issuing grants the Council's Contract and Procedure Rules and Financial Procedures must be noted and followed. [RB/02092015/M]

6.0 Equalities implications

- 6.1 The Growth Hub offer is promoted through business networks such as the Black Business Network and Women's Business Forum, therefore has positive equalities implications.

7.0 Environmental implications

- 7.1 The Growth Hub, as gateway to business support in the Black Country, will refer businesses to appropriate support to reduce their business footprint.

8.0 Human resources implications

- 8.1 Internal costs including the Growth Hub Director are included in the project budget.

9.0 Corporate landlord implications

- 9.1 There are no corporate landlord implications.

10.0 Schedule of background papers

- 10.1 Cabinet (Resources) Panel 26 November 2013 - External Funding update: Regional Growth Fund and European Regional Growth Fund.
Cabinet (Resources) Panel 11 March 2014 - External Funding Update