
Report to: Cabinet **Date of Report:** 8th December 2011

Subject: Mersey Business Support (ERDF 4.2) Project

Report of: Director of Built Environment **Wards Affected:** All

Is this a Key Decision? Yes **Is it included in the Forward Plan?** Yes

Exempt/Confidential No

Purpose/Summary

To advise members of the award of ERDF grant for the Mersey Business Support project, and to seek authority to accept the offer letter and create posts associated with its implementation.

Recommendation(s)

- (1) the award of ERDF grant to Sefton for the Mersey Business Support ERDF 4.2 project be noted;
- (2) the Cabinet Member for Regeneration & Housing be granted delegated authority to accept the offer letter;
- (3) the creation of 8 posts in the Built Environment Division (Economy and Tourism) to implement the project be approved; and
- (4) the Director of Built Environment be authorised to recruit to the posts, which are to be ringfenced to staff in the self-funded Economy and Tourism Service.

How does the decision contribute to the Council’s Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		✓	
2	Jobs and Prosperity	✓		
3	Environmental Sustainability		✓	
4	Health and Well-Being		✓	
5	Children and Young People		✓	
6	Creating Safe Communities		✓	
7	Creating Inclusive Communities		✓	
8	Improving the Quality of Council Services and Strengthening Local Democracy	✓		

Reasons for the Recommendation:

To approve arrangements for the implementation of the Mersey Business Support ERDF 4.2 project in Sefton including staff recruitment through ring fencing of posts within the existing Invest Sefton service.

What will it cost and how will it be financed?

(A) Revenue Costs

Total project cost for November 2011 and March 2014 is £2,613,772, Funding breakdown is as follows:

	£
Match funding	1,306,886
ERDF 4.2	1,306,886

There are no financial implications for the revenue budget of the Council. The match funding is to be found from income and reserves of the self-funding economic development service. Appropriate systems will need to be implemented to ensure the match funding expenditure is controlled, and that any necessary documentary evidence is available for the European Auditors.

(B) Capital Costs

None

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Legal	
Human Resources	
Equality	
1. No Equality Implication	<input type="checkbox"/>
2. Equality Implications identified and mitigated	<input checked="" type="checkbox"/>
3. Equality Implication identified and risk remains	<input type="checkbox"/>
The equality impact and mitigation measures are as described in the full ERDF 4.2 application, and will be further developed when implemented.	

Impact on Service Delivery:

If approved, the 8 posts will allow Invest Sefton business and enterprise support activities to continue post April 2011 while other services are being reviewed.

What consultations have taken place on the proposals and when?

The Head of Corporate Finance (FDG003 and FD1181/11) and Head of Corporate Legal Services (LD 506/11) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

Not to support the receipt of ERDF would be to forego access to new and additional resources at a time of considerable spending restraint and reduction in other public funded business support programmes.

Implementation Date for the Decision

Following the expiry of the "call-in" period for the Minutes of the Cabinet Meeting

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Background Papers:

The following papers are available for inspection by contacting the above officer:

Mersey Business Support ERDF 4.2 bid
Invest Sefton ERDF 4.2 summary

Introduction

1. Members will be aware of Economy & Tourism's (ET) efforts to secure new external funding to support service delivery. This includes a Liverpool City Region (LCR) ERDF 4.2 Business Support project of which Sefton is a bid partner. The project is being developed under a new emerging LCR business support framework creating a seamless approach to business support and employer engagement. However it also recognises the unique characteristics, demand and existing business support infrastructure in each district, which is reflected in the joint Invest Sefton and Sefton@Work element of the project.
2. The bid is being led and co-ordinated by a LCR Business Liaison group comprising all six local authorities with Liverpool City Council as the accountable body. Invest Sefton represents Sefton on this group. Invest Sefton is seeking to utilise available ERDF 4.2 and its own resources to deliver a range of business support services. These will complement both existing and planned HR/employment and skills services provided by Sefton@Work.

Background

3. Invest Sefton will provide business engagement, growth and investment activities through a dedicated team of business specialists. The project brief has been developed upon lessons learnt from previous and existing successful business support projects such as Stepclever and Sefton Integrated Business Support
4. However more importantly Invest Sefton has also consulted with and listened to the business community, using comprehensive, evidence based research involving over 800 Sefton businesses over two successive years. The project recognises that we are working in more austere times with fewer available resources than previous. This is reflected in our 'one to many' approach to supporting business growth, which includes a range of both self-help and intensive 1:1 advice and support options for businesses including:
 - Access to Finance including customised grant searches and support with applications such as the new Echo grant fund, RGF bank grants
 - Access to HR/Employment & skills support via Sefton@Work
 - Enterprise growth
 - Access to sales/marketing support
 - Growth sectors (Low Carbon/SuperPort/Knowledge Economy/Visitor Economy/Rural Economy/Construction sector
 - Supply chain development
 - Business account management and aftercare
 - Attracting new inward investment
 - Investor development e.g. working with Sefton's leading and cutting edge businesses to maximise re-investment and job opportunities
 - Supporting key signature business events e.g. Google in Southport & Bootle focusing on developing web marketing

5. The project will deliver a range of events building on the successful BusinessplusSefton model which supported over 500 businesses in venues in north and south Sefton. It will also deliver bespoke business clubs and networks building on the successful Southport Business Park Executive model.
6. While the emphasis will be on developing businesses with growth potential the team will also seek to support, where possible, turnaround projects to help avert potential closures and contractions.
7. Improving overall business engagement is also high on the service agenda. This includes a co-ordinated approach to dealing with significant investors and employers in Sefton working with partners including Sefton@work, Sefton MBC Departments (Planning, Highways, Environmental Services etc), and The Mersey Partnership amongst others. This approach is already proven and has led to closer inter departmental working across the authority's regulatory services working on major development such as Atlantic Park, Vesty Business Park and the Southport Business Park.
8. The project has a range of evidence based performance outputs including jobs created/safeguarded and businesses assisted to improve performance. The figures for the city region (including Sefton) have yet to be determined but the pooled resources of Invest Sefton and Sefton@work will ensure a more cohesive approach to supporting businesses to help maximise local employment opportunities and on going advice and support.

Staffing implications

9. The new ERDF will help fund new service delivery beyond April 2012 which is the end date for a number of existing programmes, most notably Stepclever which for the past five years has supported enterprise and business growth in north Liverpool and south Sefton. Sefton MBC is the accountable body for the main Stepclever hub project-Enterprise Gateway. This accounts for 15 staff on fixed term contracts ending 31 March 2012. There are also 5 existing Sefton wide staff working on transitional business support projects.
10. After much consideration and given the amount of funding available a revised service model has been costed and will employ 8 staff within Invest Sefton for the business support element of the project. Where a vacancy is created that can be filled from a pool of potential candidates because they are in the same "job group", then a fair and non-discriminatory method of selecting one of them must be chosen. It is not generally possible to place individuals whose contracts are ending into new posts, as those not selected could object they have been unfairly passed over.
11. As we wish to ensure maximum continuity in Invest Sefton, both for service users and for skilled and experienced staff, the preferred solution is to ringfence the 8 new posts for the 20 staff whose funding will otherwise end, and allow all candidates to apply for any of the vacancies.
12. The advantage for the project is that it allows the employer to choose the right person for the job. It is desirable to match candidates against the revised service

description and job profile so that we have the best possible fit, and bring the workforce up to date with current and anticipated requirements. If it is not possible to fill every post from the 20 affected staff, then the field will be extended to all in the redeployment pool; and only if vacancies remain after the redeployment process is exhausted shall we seek permission through Vacancy Panel to recruit in the open market.

13. The advantage for individuals is that they have a choice of jobs to apply for as they approach the end of their contract of employment. The council will place any unsuccessful staff into a re-deployment pool which may provide other job opportunities arising in the authority. If a business case cannot be made for staff displaced by the recruitment exercise then consultation will be commenced with the group which will be placed at risk.
14. A fast-track grievance procedure will be put in place to handle any disputes that may arise from the redeployment process, and final decision-making powers resting with the Director of Built Environment.

New service structure

15. The table below sets out the job titles and new grades (all subject to job evaluation and vacancy setting approval)

Post title	Proposed grade
Business Development Manager	L
Business Partnerships Manager	K
Business Support Specialists x 4	I
Business Investment Specialist	I
Business Investment Officer	H

16. The trades unions have been consulted on the proposed structure and the filling of posts, and no comments have been received at the time of writing.