

WIRRAL COUNCIL

Strong Leader report

28 September 2015

SUBJECT:	Merseyside Business Support Programme extension
WARDS AFFECTED:	All
REPORT OF:	Strategic Director Regeneration and Environment
RESPONSIBLE PORTFOLIO HOLDER:	Cllr Ann McLachlan
KEY DECISION?	Yes

1.0 EXECUTIVE SUMMARY

1.1 This report requests Members to approve that the existing Merseyside Business Support Programme contract be extended under the existing agreement with Wirral Chamber until March 2016. This will allow continued support to Wirral Businesses until the New European programme is in place next year.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 As Members may recall in November 2012 (8 November Cabinet Item 128), Members agreed to supporting businesses through the Merseyside Business Support Programme, drawing down funding from the previous ERDF programme to enable Invest Wirral to provide business support and investment to Wirral Businesses. A total of £500,000 was allocated by the Council for this programme.
- 2.2 The current European Regional Development Fund programme ended in August 2015 and the Merseyside Business Support Programme has successfully support 185 businesses and created 118 jobs.
- 2.3 The Wirral programme has delivered and created more than double the amount of jobs required and supported more businesses than the targets set through ERDF programme, ensuring excellent value for money for the programme and Wirral businesses.
- 2.4 In January 2015, a contract was awarded to Wirral Chamber of Commerce for the delivery of business support, as a sub contract deliverer of the MBSP. This came to an end in August, when the ERDF programme ceased. This report looks to extend the existing contract that the Council has in place with Wirral Chamber for managing this programme until March 2016 when the new ERDF business support programme will be in place. The extension would provide

continuity for Wirral Businesses during this period and will allow the existing pipeline of businesses to continue to access the services provided. The business support would be funded from the remaining council match which was allocated for the previous programme, up to a maximum of £100,000.

- 2.5 As Members will recall in February 2015 (10 February Cabinet Item 146) a report was approved to support the collaboration between Wirral Council and Wirral Chamber for business support. The collaboration has been working successfully to ensure that Wirral businesses are supported and investment is achieved in the borough. The continuation of the MBSP will ensure that this collaboration continues to support Wirral Businesses.

3.0 RELEVANT RISKS

- 3.1 By not supporting the continuation of the Merseyside Business Support Programme, until the new ERDF programme is in place, there would be a gap in the ability of the Chamber to support businesses for a significant period of time which would result in a loss of momentum and pipeline of businesses built up through the MBSP.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 The option of no support has been considered which could potentially leave a six month period where Wirral businesses would not be able to access the necessary business support that they required to maintain, grow and develop their business needs.

5.0 CONSULTATION

- 5.1 This report is consistent with the principles of the Wirral Investment Strategy, which provides a framework for business support activity and this has been reviewed following an extensive consultation with partners.

6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

- 6.1 None

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 7.1 None as a direct result of this report

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 8.1 The report seeks approval for a maximum of £100,000 of Council funding to be utilised for business support until the end of March 2016, from existing match allocation for the previous ERDF programme.
- 8.2 An original match funding allocation of £500,000 was given to this programme. Some £340,000 has been committed to date enabling up to £100,000 to be available to allocate to extend the business support programme.

9.0 LEGAL IMPLICATIONS

9.1 Legal advice has been sought regarding the extension of the existing contract with the Chamber to provide business support. External legal advice from DWF is that in their opinion there is not a substantial modification to the original contract between Wirral Council and the supplier (Wirral Chamber). Whilst there has been overachievement of the outputs of the programme the costs have been lower than anticipated. The external legal advice therefore outlines that the contract remains “substantially unperformed” and that an extension of the time period for delivery until the end of March 2016 is not a substantial modification.

10.0 EQUALITIES IMPLICATIONS

10.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(a) Yes and impact review is attached –

This links to the existing EIA conducted for Wirral’s Investment Strategy

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010-0>

11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

11.1 None

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 None

13.0 RECOMMENDATIONS

13.1 It is recommended that Members approve the extension of the existing Merseyside Business Support contract with Wirral Chamber of Commerce until March 2016.

13.2 That the Head of Legal and Democratic Services be authorised sign a contract variation with Wirral Chamber for the continuation of the Merseyside Business Support Programme.

13.3 That Members approve a maximum of £100,000 from existing match funding be spent on business support until March 2016.

14.0 REASON FOR RECOMMENDATIONS

14.1 To ensure that Wirral businesses continue to be supported until the new ERDF programme is in place.

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SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet – Wirral Business Support Programme	8 November 2012
Cabinet – Wirral Business Support Services	10 February 2015