

RECORD OF EXECUTIVE DECISION

Tuesday, 20 November 2012

Decision No: (CAB 12/13 9489)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	CABINET MEMBER FOR COMMUNITIES
SUBJECT:	REGIONAL GROWTH FUND BID TO SUPPORT BUSINESS START UPS AND GROWTH
AUTHOR:	Denise Edghill

THE DECISION

Having complied with the requirements of Rule 16 (urgency) of the Access to Information Procedure Rules, it is recommended that:

- (i) To accept, in accordance with Financial Procedure Rules, the Regional Growth Fund grant of £2 million from the Department for Business, Innovation and Skills, and act as Lead Accountable Body for the administration of the funds.
- (ii) To delegate authority to the Director of Environment and Economy, following consultation with the Leader, Head of Legal, HR, Democratic Services and Solent LEP, to undertake such actions necessary to enable the successful delivery of the project.

REASONS FOR THE DECISION

1. This report is submitted for consideration as urgent under Rule 16 of the Access to Information procedure Rules in part 4 of the Council's Constitution, notice having been given to the Chair of Overview and Scrutiny Management Committee and the public. The matter requires an urgent decision and cannot be deferred for 5 clear days for the reasons set out below. In response to the announced closure of the Ford plant at Swaythling, the Secretary of State for Business, Innovation and Skills has authorised that the allocation of the funds is fast-tracked. The grant must be received urgently to progress to contract so that the scheme is available from the Spring/Summer for those facing redundancy, including Ford workers.
2. Enterprise is a key driver of productivity and economic growth. Currently, business start-up rates in the Solent fall well below regional and national benchmarks. The project aims to: support business start-ups; expand enterprise opportunities for young people; and help businesses to grow and create employment.

DETAILS OF ANY ALTERNATIVE OPTIONS

(i) Not to accept the funds: Southampton has a lower business start up rate than regional and national averages (Business start up rates for the SE are 387.6 per 10,000 resident population. This is considerably in excess of that found in Southampton (214), and the Isle of Wight (305.7). In the SE, 46.8% of businesses are still trading 5 years after start up. The comparable figure for Southampton is 39% and Isle of Wight 45.6%. If the bid is not submitted, the RGF funding would be lost to local businesses and therefore impact on employment rates.

(ii) Not to act as Lead Accountable Body: Solent LEP does not have a track record of administering funds: this role has been undertaken by local authorities (Portsmouth City Council has recently been Lead Accountable Body for a similar LEP RGF project in Portsmouth). Furthermore, leading the funding and delivery would enhance Southampton governance and control of the programme.

OTHER RELEVANT MATTERS CONCERNING THE DECISION

None.

CONFLICTS OF INTEREST

None.

CONFIRMED AS A TRUE RECORD

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 20th November 2012

Decision Maker:
The Cabinet

Proper Officer:
Judy Cordell

SCRUTINY

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on
Date of Call-in (<i>if applicable</i>) (<i>this suspends implementation</i>)
Call-in Procedure completed (<i>if applicable</i>)
Call-in heard by (<i>if applicable</i>)
Results of Call-in (<i>if applicable</i>)