

Subject:	Local Authority Business Growth Incentive (LABGI) Funding 2009/10		
Date of Meeting:	15 October 2009		
Report of:	Director of Culture and Enterprise		
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Key Decision:	Yes		
Wards Affected:	All		

This report was not included in the Forward Plan due to the late receipt of information from government on the levels of funding available.

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 Local Authorities are being awarded **Local Authority Business Growth Incentive** (LABGI) funding on an annual basis calculated on a formula that relates to the growth in Business Rates within a sub region over a three year period. Brighton & Hove's allocation for 2009/10 of £205,627 was announced on 25 September 2009. This report gives an overview of the range of projects and programmes proposed for this funding.
- 1.2 The projects proposed for funding have been subject to analysis against local criteria developed for the LABGI fund. These are listed in full in the body of the report. These criteria relate to; the source and purpose of the funding, the Local Area Agreement and Corporate Plan priorities, the current imperative around recession relief and in delivering value for money.

2. RECOMMENDATIONS:

- 2.1 That Cabinet agrees the proposed list of projects for funding attached at Appendix 1.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 A short set of criteria was developed earlier this year for the allocation of LABGI funding by officers in Finance and Economic Development as follows:

LABGI fund criteria:

1. The project makes a contribution to the development of business activity in the city and therefore to the future likelihood of the receipt of further LABGI funding for the City Council

2. The project makes a demonstrable contribution to recession proofing
 3. The project contributes to the achievement of the economic targets in the Local Area Agreement
 4. The project has matched funding in place, ideally on a minimum ratio of 1:1
- 3.2 An additional consideration, is the sustainability of projects given the one off nature of LABGI funding. Any commitment from the funding is only on a yearly basis.
 - 3.3 A brief summary of the projects proposed for funding is attached at Appendix One.
 - 3.4 There is a list of 5 projects recommended for funding reflecting the smaller amount of funding available at the time of allocation for this year. As with the previous LABGI allocations, the balance between focussing support on recession relief, unemployment initiatives and the stimulation of future potential additional business activity is important, even though the number of projects is significantly fewer.
 - 3.5 A total of 5 projects have been recommended for funding from the 2009/10 allocation to the value of £205,000. The total matched funding that those projects will lever is estimated at over £300,000, matched funding ratio of 150%.
 - 3.6 As a whole, the range of projects proposed both build on success in the city and target gaps. Just over half of the funding is recommended towards activity that will build on the recession relief work led by the Economy Task Force. This has been extremely successful to date and the work of the Business Lifebelt programme which was funded through the LABGI scheme was recognised in the recent round of Public Service Awards. The Administration's priority to support local businesses and the city's economy in this particularly difficult time has guided the allocation of the majority of the funding, developing the recession relief programme to be more forward looking and proactive in terms of building city and public confidence. Feedback from the Economy Task Force, the Chamber of Commerce, the Business Forum and business support agencies has all concurred in the need to develop positive programmes of activity now; marketing the city, creating activity and events, stimulating the visitor economy particularly building on recent success with European markets and highlighting a positive profile locally, regionally and nationally for Brighton and Hove.
 - 3.7 In addition to this, there are gaps in provision and challenges the programme seeks to address particularly in terms of training needs for businesses identified by the Economy Task Force and the targeted programme for workless households in Moulsecoomb and Bevendean, Turning the Tide.
 - 3.8 There is a small allocation proposed to take forward the potential development vision for New England House which could have a positive impact in the longer term, particularly for the digital media sector which is a sector prioritised in the Business Retention and Inward Investment Strategy.

- 3.9 The projects and programmes funded from the last round of LABGI are all progressing well and full feedback on these will be collated at the year end. Monitoring to date indicates that most are on target to achieve their aims. For example:
- 3.9.1 The Breakthrough programme is on schedule with its delivery plan and to date has recruited and supported 83 clients ie adults who are Brighton and Hove residents not in paid employment into full time or part time employment, volunteering or education/training.
 - 3.9.2 The Tourism Greeter Scheme went live with its website on Friday 2 October 2009 – www.visitbrighton.com/greeters. The website and officer time have been the predominant costs, however the website is the tool visitors will use to book their 'Greet', find out information on the scheme and for volunteers to become Greeters. There are currently 10 volunteers all of whom are ready to receive visitors when the site goes live. There has been significant press and media coverage on the subject (both local and national press in addition to TV and radio coverage) and will be further interviews and press around the date of launch.
 - 3.9.3 White Night is due to take place 24 October with a greatly expanded programme. This year it will be hosting collaborations with 6 local festivals and presenting them to a new audience plus a Visit Britain delegation of French festivals with the specific aim of increasing year round cultural visitors. The funding has also enabled 7 new venues to participate (from 12 last year) and to present their programme for free which will widen access and increase future audiences. A new Adult Learning strand in. White Night will profile adult learning opportunities year round benefiting informal education providers.
 - 3.9.4 The local music industry organisation Brighton Live is taking some emerging currently unsigned Brighton bands to the *In the City* showcase in Manchester this month to promote the city's local talent. It has also been able to significantly extend the reach in terms of the number of participating venues in the Brighton Live Festival this year and its marketing profile.
 - 3.9.5 The City Employment Initiatives team partially funded by LABGI have been successful in the further development of the Local Employment Partnership, have run a large scale jobs fair in the Brighton Centre attended by 1,200 participants and developed a successful bid to the Futures Jobs Fund for up to £2.3m.
 - 3.9.6 The Recession Relief initiative to put artwork in empty premises has been extremely well received by residents and businesses. The initiative has used a range of images appealing across the board. For example, in April, the council put photographs of contemporary scenes on the former Damart shop in Queen's Road and Astoria cinema in Gloucester Place, Brighton and in Hove, five giant vintage photographs of Victorian and Edwardian Hove.

3.9.7 A further 3 LABGI funded initiatives are to be used as case studies of good practice in a special event in support of the City Employment and Skills Plan in October.

4. CONSULTATION

- 4.1 There has been consultation with officers in Finance, Economic Development, Tourism, Arts and Creative Industries, Local Employment Partnership Team, Policy and Resources, Revenues and Benefits Team.
- 4.2 There has been consultation with the Leader and the Cabinet Member for Enterprise, Employment and Major Projects.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The LABGI funding is one-off funding received as an unringfenced grant. The 2009/10 allocation is £205,627 and this report identifies the projects that will be funded from these resources.

Finance Officer Consulted: James Hengeveld Date: 28/09/09

Legal Implications:

- 5.2 The report proposes the exercise of economic development and well being powers and there are no adverse legal implications or Human Rights Act issues directly arising from this report

Lawyer Consulted: Bob Bruce Date: 24/09/09

Equalities Implications:

- 5.3 By supporting activity that is designed to increase employment opportunities and the success of local businesses, there are no adverse crime and disorder implications.
- 5.4 One of the projects proposed for funding work particularly to target support towards those who are currently experiencing barriers to employment in the city.

Sustainability Implications:

- 5.5 The LABGI criteria address the funding base of proposed projects, favouring those with a wider funding base to increase their sustainability.
- 5.6 In terms of environmental sustainability, there are no specific adverse implications.

Crime & Disorder Implications:

- 5.7 By supporting activity that is designed to increase employment opportunities and the success of local businesses, there are no adverse crime and disorder implications. There are positive implications in the aims of the work to increase footfall in the city centre and diverse attendance at events.

Risk & Opportunity Management Implications:

- 5.8 The LABGI criteria were developed to minimise the risk of selecting projects with a less favourable chance of success. The criteria are designed to select projects with maximum impact and sustainability.
- 5.9 Officers in the Economic Development Team have developed a monitoring process that will be used in the administration of this funding and there will be ongoing contact with organisations managing the activity.

Corporate / Citywide Implications:

- 5.10 The majority of the projects proposed have a citywide impact in terms of their effect on the economy.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 A total of 7 projects were considered as part of the evaluation process.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 The projects proposed for funding from LABGI have undergone an appraisal process and offer the best value for money solution to the specific criteria to be satisfied.

SUPPORTING DOCUMENTATION

Appendices:

1. Summary of projects proposed for funding

Documents in Members' Rooms

None

Background Documents

None

