

AT A MEETING of the HAMPSHIRE ECONOMIC BOARD of HAMPSHIRE COUNTY COUNCIL held at The Castle, Winchester on Tuesday, 16 February, 2011

**PRESENT:**

Chairman:

p Councillor T.K. Thornber, CBE

p Dr. R.J. Ellis

p J.K. Glen

p M.J. Kendal

p R. Perry

a Mrs M.D. Snaith-Tempia

**45 APOLOGIES FOR ABSENCE**

None

**46 DECLARATIONS OF INTEREST**

Members were mindful that, where they believed they had a personal or prejudicial interest in any matter to be considered at the meeting, they should, normally at the time of debate, declare their interest and, having regard to the circumstances described in paragraphs 9, 10, 11 and 12 of the County Council's Code of Conduct, consider whether to leave the meeting whilst the matter was discussed save for exercising any right to speak in accordance with paragraph 12 of the Code. The declaration to be made at the time of the relevant debate.

**47 MINUTES**

The minutes of the meeting held on 21 September, 2010 were agreed as a correct record.

**48 CHAIRMAN'S ANNOUNCEMENTS**

The Chairman welcomed to the meeting Ken Moon, Regional Director for the Federation of Small Businesses and John Mitchell, Chief Executive of Enterprise First who were in attendance for Item 5 about Access to Finance for Small Businesses.

**49 ACCESS TO FINANCE**

The Director of Economic Development and County Treasurer presented a report (Item 5 in the Minute Book) highlighting the issue of access to finance for small businesses. It summarised the actions being taken by Government and other agencies, including actions already taken by the County Council. The report also investigated what additional measures

Hampshire could take to help address the issue. Section 3 of the report set out a number of options available to the Board including;

- Encouraging Hampshire County Council contractors to speed up payments
- Reducing Hampshire County Council's payment time to suppliers
- Hampshire County Council loans.

Ken Moon and John Mitchell talked at length to the Board about several areas of difficulty which small businesses faced. There was discussion about the strict lending criteria applied by banks and the limited localised decision making mechanisms in place. Particular reference was made about speeding up payment time to local small suppliers which impacted on their cash flow and couldn't be passed on. They felt that it was important the full benefit of speedy payment by the County Council be passed down the supply chain to sub-contractors.

The Board were also advised that there was a real need to mentor small businesses on drawing up business plans and approaching banks for finance. Mentoring was provided by Enterprise First but it was explained that grant reductions this year and next would impact on this important area of activity. The Board felt that Hampshire should try to do more to support business mentoring. Reference was made to the success of the Dorset "DorMen" mentoring scheme. It was suggested that further information about this scheme be provided. The availability and affordability of premises and facilities was also highlighted as an area of concern due to the nature and character of businesses in Hampshire.

There was also discussion about the arrangement in Essex, whereby the County Council was to provide grants and loans to small businesses in partnership with Santander Bank.

Overall, the Board was very keen to pursue any opportunities to improve access to finance that would be of benefit to small businesses in Hampshire and the recommendations set out in the report were agreed and the decision record is attached to the Minutes as Appendix 1.

## 50 **HAMPSHIRE APPRENTICESHIPS UPDATE**

The Director of Human Resources and Director of Economic Development provided an update report (Item 6 in the Minute Book) on the County Council's involvement in apprenticeships and set out future options.

The report described the apprentices pilot and roll out of the scheme within the County Council. The report also highlighted the work underway for apprentices and the support for carer leavers.

With regard to the Apprenticeship Grant Scheme it was reported that the research undertaken with 40 companies showed that the availability of HCC

grant was not the determining factor in employers taking on apprentices. It was therefore put forward that as the current grant funds were now fully committed, the Apprenticeship Grant Scheme for small businesses should not be repeated.

In considering the report the Board noted that there had been significant advancement in this area and it was suggested that work should continue to embed apprenticeship policy and processes within the organisation.

The recommendations set out in the report were agreed and the decision record is attached to the Minutes as Appendix 2.

#### **51 2011/12 INTERIM ECONOMIC DEVELOPMENT ACTION PLAN**

The Director of Economic Development submitted a detailed report (Item 7 in the Minute Book) setting out the County Council's interim economic development priorities for 2011/12.

The report outlined the work streams agreed a year ago ahead of the economic assessment, summarised the key priorities for future work and business priorities expressed to the County Council at the first business conference in November 2010. The report also considered issues that needed to inform future plans such as national changes to the framework and financial support for economic development, suggested principles to guide the choice of priorities and Appendix 2 to the report listed potential actions for 2011/12.

The recommendations set out in the report were agreed and the decision record is attached to the minutes as Appendix 3.

#### **52 BROADBAND PROJECT : NEXT STEPS**

The Director of Economic Development updated the Board (Item 8 in the Minute Book) on the evolution of the project and the national scene in order to determine the next steps. It was noted that a report to Cabinet in February 2010 would address future management arrangements and resources following the retirement of the Director of Economic Development.

The paper summarised the previous reports to the Board, outlined the key elements of the recently published National Broadband Strategy, the financing for the project and the future direction of the project.

The recommendations set out in the report were agreed and the decision record is attached to the minutes as Appendix 4.

53 **EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED:

That in relation to the following items the press and public be excluded from the meeting, as it is likely, in view of the nature of the business to be transacted or the nature of proceedings, that if a member of the public were present during the items there would be disclosure to them of exempt information within Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, and further that in all circumstances of the case, the public interest in maintaining the exempt information outweighs the public interest in disclosing the information, for the reasons set out in the report.

54 **BROADBAND STRATEGY PROGRESS REPORT (EXEMPT APPENDIX)**

The Board considered and approved the exempt appendix (Item 10 in the Minute Book) setting out the financial considerations and the business case for developing the project.