

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member-Economic Development
Date of Decision:	1 March 2010
Decision Title:	Grants to Business Support Organisations
Decision Reference:	1307
Report From:	Director of Economic Development

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1. Executive Summary

1.1. The purpose of this paper is to summarise the programme of grant support awarded by Hampshire County Council to business support agencies.

1.2. This paper seeks to:

- Set out the context for the grant programme
- Review the work of each agency in the programme and the previous funding arrangements
- Review the future relationship between the County Council and the business support organisations
- Recommend that County Council support is continued but with modifications.

2. Contextual information

2.1. Since 1994 it has been the practice of Hampshire County Council to actively encourage the work of several business support organisations in the county as part of its work to assist the local economy.

2.2. The Council has always been keen not to duplicate effort by undertaking similar activities to the work of these agencies. It has given further impetus to their efforts through regular annual grant support.

2.3. The business support agency offer is varied and comprises numerous organisations, focussed on either sector or location or on a particular size of business. It has been the practice of Hampshire County Council only to provide financial assistance to a small number of key agencies.

2.4. The main business support agencies that have been helped are:

- (i) The Hampshire Economic Partnership
- (ii) Chambers of Commerce
- (iii) Enterprise First
- (iv) Wired Wessex.

3. Summary of Activity and Hampshire County Council support of these Business Support agencies

i. The Hampshire Economic Partnership (HEP)

3.1. HEP was established in 1992 and brings together business and local government. It aims to influence Government policy and support the economic prosperity of Hampshire and its cities by “identifying and championing the needs and priorities of Hampshire business, providing an authoritative economic voice for business, and ensuring that the best decisions are made to deliver sustainable economic prosperity for the area.”

3.2. It has eight direct trade sector task groups which are headed by leading business experts representing industry sectors across the county. Hampshire County Council has always been closely involved with HEP and has demonstrated its commitment to the organisation through representation on many of the task groups, having a place on the HEP Board and Executive Committee, and by an annual grant. This **annual grant of £15,000** has been a general contribution to the work of HEP and is not subject to a formal contract or service level agreement for specific activity.

ii. Chambers of Commerce

3.3. There are currently three main Chambers of Commerce in Hampshire: North Hampshire, Portsmouth and South East Hampshire, and Southampton and Fareham. They have recently collaborated to form one Hampshire Chamber jointly owned by the three main Chambers of Commerce in Hampshire, but they also still operate independently.

3.4. Hampshire County Council has, for many years, only grant aided the North Hampshire Chamber of Commerce and Industry. This is an independent, not-for-profit and politically impartial business support agency. It comprises businesses and organisations from all areas of commerce and industry and

believes its strength lies in being owned and managed by business for business.

- 3.5. It offers business services, runs networking events and lobbies Government on business issues. It represents the voice of business at local, regional and national level and, like all Chambers, is part of a regional, national and global network.
- 3.6. Hampshire County Council has historically awarded the North Hampshire Chamber an **annual grant of £2,750** which has not been the subject of any specific SLA or contract. The grant is acknowledged by the Chamber as a major contribution to its work and gives Hampshire County Council membership to the Hampshire Business Alliance - a group of members who provide the highest level of support for the Chamber and, by extension, for the Chamber's effort to help smaller businesses to "grow, bringing knowledge and skills that are vital to future economic success."
- 3.7. Support to the Chambers will be reviewed as they merge and become one single Hampshire Chamber.

iii. **Enterprise First**

- 3.8. Enterprise First was established in 1981 and assists clients seeking to start-up a new business or develop an existing small business in Hampshire, Surrey and Kent. It is a not-for-profit company with sponsorship from the public and private sectors and offers "either free support or help at a nominal cost from a team of experienced and accredited business advisers at a range of locations across Hampshire". Enterprise First is a member of the National Federation of Enterprise Agencies, supporting its Small Business Advice Service via its email support system.
- 3.9. Hampshire County Council has historically awarded Enterprise First an **annual grant of £15,000**. In more recent years, the Council has entered into a service level agreement with the agency for specific training, for example in VAT, or for specific business start-up courses in Hampshire.

iv. **Wired Wessex**

- 3.10. Wired Wessex is a business support organisation based in Winchester University. It has around 1,000 members and offers a programme of training and networking events. Topics covered include marketing, search engine optimisation, use of social media for business, etc.
- 3.11. Hampshire County Council gives Wired Wessex an **annual grant of £5,000** toward core costs and this is matched by the University and Business Link. There is no formal contract or service level agreement.

4. Future Support

- 4.1. The Economic Development Office (EDO) is currently in discussion with each of these agencies, reviewing the past year's activity and considering support for 2010/11. It is felt that these agencies are professional, have clear objectives and make a major contribution to the economic prosperity of the county, and that Hampshire County Council should continue its current level of grant funding for the financial year 2010/11.
- 4.2. However, for 2010/11, the EDO is looking to enter into a more formal arrangement with each agency, on the basis of a service level agreement or grant agreement, whereby the contribution of Hampshire County Council is used for a specific activity or project, as agreed between the County Council and the agency. For example, it is felt that the County Council can make more use of the agencies' daily contact with Hampshire businesses and ask them to supply regular intelligence reports on current issues affecting business. Also to flag up market trends in the Hampshire economy to help Hampshire County Council identify risks to prosperity and identify priorities for intervention.
- 4.3. In this way, the specific Hampshire County Council-funded activity can be more easily monitored and evaluated.
- 4.4. In addition, more formal acknowledgement of the support will be called for through agreed use of the Hampshire County Council logo, etc on the agencies' publicity material and web sites, for example.

5. Recommendations

- 5.1. That grants in the financial year 2010/11 for business organisations as set out in the report are approved.
- 5.2. That Hampshire County Council continues to support the business support organisations listed in this report.
- 5.3. That the level of grant funding for 2010/11 financial year remains as for 2009/10.
- 5.4. That the Economic Development Office finalises negotiations with each agency and enters into formal contractual arrangements which detail specific activity to be funded by the Hampshire County Council grant, and sets out agreed arrangements for the acknowledgement of the grants.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	no
Corporate Business plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Business plan link number (if appropriate):	
Enhancing our quality of place:	no
Corporate Business plan link number (if appropriate):	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

1.1. This has been completed by the Departmental EIA representative for completeness.

2. Impact on Crime and Disorder:

2.1. Not Applicable.

3. Climate Change:

a) How does what is being proposed impact on our carbon footprint / energy consumption?

Not Applicable.

b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Not Applicable.