



## AGENDA ITEM:

### SUMMARY

<b>Report for:</b>	<b>Strategic Planning and Environment Overview &amp; Scrutiny Committee</b>
<b>Date of meeting:</b>	<b>21<sup>st</sup> September 2016</b>
<b>PART:</b>	<b>1</b>
If Part II, reason:	

<b>Title of report:</b>	<b>Economic Development Update – Enterprise and Investment</b>
Contact:	<p>Cllr Graham Sutton - Portfolio Holder for Planning &amp; Regeneration</p> <p>Author/Responsible Officers;</p> <p>Rebecca Oblein – Team Leader, Strategic Planning &amp; Regeneration</p> <p>Lesley Crisp – Assistant Team Leader, Economic Wellbeing Team, Strategic Planning &amp; Regeneration</p>
Purpose of report:	To inform members about the work carried out to support and develop the Economic Wellbeing of the Borough, including the Dacorum's Den Initiative
Recommendations	<ol style="list-style-type: none"> <li>1. That the work undertaken to support Dacorum's business community be acknowledged.</li> <li>2. That this report is noted and the work already carried out during on Dacorum's Den be acknowledged</li> </ol>
Corporate objectives:	The project supports the Corporate Vision and in particular the priority of Building Community Capacity and Regeneration by promoting business growth
Implications:	<p><u>Financial</u></p> <p>None arising for this report – work is carried out from established budgets</p>

	<p><u>Value for Money</u></p> <p>Through close working with our business community DBC are able to work with business to advise the direction and priorities for the EI team.</p> <p>During 2015/16, we have started to charge for more of the services we provide to businesses in order to reduce our cost to the Council and support a sustainable model. The gradual move towards charging for some services supports the aim to self-finance the EI teams revenue work for the future, wherever possible.</p> <p>DBC were also able to secure business sponsorship to run Dacorum's Den 2016</p>
Risk Implications	Risk Assessment included within the Project Initiation Document for this area of work and monitored through the Corvu system.
Equalities Implications	Equality Impact Assessment carried out as part of DLNF PID
Health And Safety Implications	None in this report
Consultees:	Maylands Partnership HHBA Steering Board
Background papers:	Enterprise and Investment Annual Review (annex 1).
Historical background <i>(please give a brief background to this report to enable it to be considered in the right context).</i>	This report updates members on work that happened for the Financial year 2015/16
Glossary of acronyms and any other abbreviations used in this report:	<p><i>ED = Economic Development</i></p> <p><i>E&amp;I = Enterprise and Investment</i></p> <p><i>JSA = Job Seeker's Allowance</i></p> <p><i>LEP = Local Enterprise Partnership</i></p> <p><i>MBC = Maylands Business Centre</i></p> <p><i>DLNF = Dacorum; Look No Further</i></p> <p><i>PPC = Pay per click</i></p> <p><i>PR = Public Relations</i></p> <p><i>HCCI = Hertfordshire Chamber of Commerce</i></p>

## 1. Economic Development

1.1 Purpose – The Enterprise and Investment Team continues to deliver the aims in the ED strategy 2013-2016 in order to create a thriving business community. We are continuing to work to ensure we are in line with the core strategy and that we can make the most of the major investment made by regeneration projects over the past few years. With focus areas including retail, tourism and commercial businesses the Enterprise & Investment team offer support to all companies regardless of size. This ensures that Dacorum can offer a mix of employment to its residents, especially in a time where more and more people and businesses are relocating out of London.

1.2 **Update:** During 2015-2016 the Office for National Statistics indicated that Dacorum's businesses grew by 6.7%. Jobs growth is the aim of the E&I team in order to provide mixed employment for Dacorum's residents

1.3 The Hemel Hempstead Ambassadors programme was launched (December 2015) to help support Dacorum's Inward investment aims by promoting the borough as a great place to do business. The Ambassadors programme is aimed at place shaping and in raising the reputation and profile of Hemel Hempstead as a location for investment. The scheme has 45 members which equates to an investment of £36,500 to support the scheme.

1.4 The E&I team continues to concentrate on supporting our current business base to help them thrive and grow through a variety of initiatives. The team tailor their business support to nurture growth and help to remove barriers which hinder businesses' development and growth.

1.5 Networking is a business essential in reaching new customers and is extremely important to the small business community.–In addition to the established small business forum, the E&I team facilitates the online Linked In group and its quarterly networking events with member speakers at each event on targeted business issues. On average, 40 people attend each event which has speakers on topics such as social media, presentation skills and budgeting. The group now has 561 members.

1.6 In March 2016 we carried out a business survey to gauge what our business community felt about the area, the support available, the potential for growth and any barriers they foresee in order to help us form our new two year Enterprise and Investment plan. We received over 200 responses from a representative mix of business from micro businesses right through to our largest employers. There was good awareness of what the team offers, showing that our current communications methods are working.

1.7 Of those surveyed, 77% said that Dacorum as a location for their business had met or exceeded expectations, those dissatisfied cited traffic issues and parking as their biggest reasons. Of those businesses surveyed, 60% predicted growth in their businesses turnover in the year and some 32% predicted jobs growth which is encouraging for the future of Dacorum's Economy. The only issue

highlighted was a lack of move on premises for the businesses to grow into. We are currently using this survey and local profile information to develop a new two year Enterprise and Investment plan to prioritise the team's work and focus.

1.8 Bite sized courses are hosted at the MBC, with day and half day courses run on issues highlighted by our businesses as barriers to growth in the business survey. These are set at affordable rates and self-sustain, requiring no financial support from DBC. Current courses running include customer service, time management, using social media to enhance marketing, Excel formulae, Health and Safety management for the SME, Developing Management Skills, Coaching and Mentoring a Team, Recruitment and Interview Skills, Business Planning and Appraisal skills. These workshops are always fully booked and are available to anyone in the Dacorum area and beyond. The income generated from these workshops has been £37,047 over the past 18 months, generating a profit of £9,006.

1.9 Business support, advice and guidance are an integrated part of the MBC service provision. The centre offers personal business support to all businesses in Dacorum. In addition, the team, along with Wenta and Stanta, have secured £150,000 European Regional Development Funding to support start-up businesses in Dacorum, over a three year Period. This will be delivered through one-to-one business advice, training and, in some cases, £1000 and £3000 matched grants. This will require some additional administration resource but this will be funded from the grant.

1.10 The team continues to work closely with the LEP in order to ensure that our initiatives are in line with those in the County. We are currently working with the LEP Skills and Employment Programme Board looking at the future skills needs of the county and how Hertfordshire can meet these, and are tailoring our own strategy in accordance with this. The ERDF funding in partnership with WENTA and STANTA will also ensure a consistent support offer for the Start-Up businesses in Hertfordshire.

1.11 Promotion of apprenticeships will continue via our team, working in connection with Skill Makers, a business and community led initiative intended to bring businesses and education closer together, to support future economic sustainability and improve employment opportunities for local people. 80% funded by the LEP it delivers the skills strategy for Hertfordshire.

1.12 For the third year running the team is working with 8 Hertfordshire Local Authorities, the University of Hertfordshire and the LEP to attend and staff a stand at MIPIM UK, one of the largest property and development exhibitions in the UK, held at Olympia, from the 19-21 October 2016.

1.13 Quarterly partnership meetings are held with Dacorum's secondary school Careers Advisers, Youth Connexions and West Herts College. An apprenticeship event is being planned in connection with the Mayor to look at encouraging businesses to take up apprenticeships

1.5 As the first tenants began to reach the end of their allotted time at MBC, it became apparent that they were finding it extremely difficult to find alternative premises at a price they could afford and therefore the charging structure for the

Maylands Business Centre (MBC) incubation units was reviewed with this in mind. With the support of our operating board, an increasing sliding scale for new tenants has been introduced to better prepare our start-up businesses for their move into the commercial world at the end of their time at the MBC. This change will also generate an increased income for the service, which can be re-invested in supporting local businesses in the future.

1.14 Work has commenced on the Maylands Business Centre Extension expected to be complete in spring 2017. This development will allow additional businesses to be supported and will also raise additional revenue to be reinvested into the EI service, currently estimated at £40K per annum. We are also working with the housing team on the fit out requirements for the new move on space in the Wood House development at the Heart of Maylands, expected to be complete 2018.

1.15 The Enterprise and Investment team produce quarterly reports measuring achievements against key targets, and also detailing some of the non-measurable work we carry out. This report is circulated quarterly via member's news. The report for year 2015/2016 is attached (annex 3).

1.16 The reputation of Dacorum has been greatly increased through our promotional channels and this work will continue through both Dacorum's communications team and the new Hemel Hempstead Ambassadors scheme. Examples of some of the PR work done are attached (appendix....)

1.17 Through continual two-way communication with our business community the Enterprise and Investment team will remain both a pro-active and flexible team who can adapt quickly to ensure we meet the needs of our customers and where ever possible exceed expectations.

## **2 Dacorum's Den initiative**

2.1 The Dacorum's Den initiative continues to grow from strength to strength, providing grants to small and start-up businesses who pitch their ideas to a board made up of Mike Penning MP and representation from the Dacorum Business community. From 2012-2015, £40,000 was given to local businesses who have created 27 jobs as a direct result of this.

2.2 For the first time, the Den 2016 has been fully funded by the Dacorum Business community putting in a total of £11,500 and enjoyed continued support from MP. 7 new grants were awarded in July 2016 totalling £10,000, with 5 receiving £1000 each and 2 receiving £2500 each because of special circumstances. Key successes such as;

Quest Joinery (winners 2012) has grown from 2 employees, when they came to the Den, to currently employing 8 with an additional 12 subcontractors. Their turnover has grown from £350k to over £1.2million last year.

Cinnamon Travelling Café (Den winners in 2014) has received 2 Customer Service Excellence awards in the 2016 Hertfordshire Food Awards.

JE2 (Den winner 2015), have reported a Net Worth increase of 29.89% since receiving the Den money.

Puddingstone Distillery (Den winner 2015), used the money to start Crowdfunding for the business and raised £23,026 of £20,000 target with 231 backers allowing them start the business.

## **Summary**

The team are currently working on the new Enterprise and Investment strategy for 2017-2020. This will detail the teams ongoing priorities based on data gathered through the local profiling and Business survey.

The strategy will ensure that we continue to provide a care and retention package to our business community, to work to attract new business investment and to help them settle into the area.

With income already generated from workshops, the MBC and its extension and our virtual office service we are continuing to look at other ways to raise revenue to be re-invested into economic development and reduce the cost of the service on the council.