



AGENDA ITEM: 6

SUMMARY

Report for:	Strategic Planning and Environment Overview & Scrutiny Committee
Date of meeting:	7th July 2015
PART:	1
If Part II, reason:	

Title of report:	Dacorum's Den Results and Economic Wellbeing update
Contact:	<p>Cllr Graham Sutton - Portfolio Holder for Planning & Regeneration</p> <p>Author/Responsible Officers;</p> <p>Chris Taylor – Group Manager, Strategic Planning & Regeneration</p> <p>Lesley Crisp – Assistant Team Leader, Economic Wellbeing Team, Strategic Planning & Regeneration</p>
Purpose of report:	To inform members about the Dacorum's Den Initiative and its results and to update members on the work carried out to support and develop the Economic Wellbeing of the Borough
Recommendations	<ol style="list-style-type: none"> 1. That this report is noted and the work already carried out during on Dacorum's Den be acknowledged 2. That the work undertaken to support Dacorum's business community be acknowledged.
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>

	Through close partnership working with our business community DBC are able to utilise the flair and experience of commercial business to advise the direction and priorities for the EW team. The gradual move towards charging for some services supports the aim to self-finance the EW teams revenue work for the future, wherever possible.
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 Dacorum business growth forum
Background papers:	DLNF Overview and Scrutiny Report March 2015 (annex 1).
Historical background (<i>please give a brief background to this report to enable it to be considered in the right context</i>).	Further to Cabinets' decision in December 2011 to provide additional funding to support economic development during tough times, a number of reports have been presented to update members on the initiatives undertaken to promote inward investment and economic growth in our borough. The last of these reports was presented in June 2014 (annex 1). This report updates members on work that happened for the Financial year 2014/5 to date and focusses on the Dacorum's Den initiative run through the Economic Wellbeing service.
Glossary of acronyms and any other abbreviations used in this report:	<i>ED = Economic Development</i> <i>FDI = Foreign Direct Investment</i> <i>JSA = Job Seeker's Allowance</i> <i>LEP = Local Enterprise Partnership</i> <i>MBC = Maylands Business Centre</i> <i>DLNF = Dacorum; Look No Further</i> <i>PPC = Pay per click</i>

	<p><i>PR = Public Relations</i></p> <p><i>HCCI = Hertfordshire Chamber of Commerce</i></p>
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1. Dacorum's Den initiative

1.1. Dacorum's Den is an initiative started in summer 2012 to provide grants to small and start-up businesses. The grants are to help a business solve an issue which may be a barrier to their operation and growth. The grants are awarded through a 'Dragon's Den' style process, the ultimate part of which involves applicant's pitching their idea to a board made up of Mike Penning MP, a representative from DBC and representation from the Dacorum Business community.

1.2. The initial Den run in 2012 was funded by the Economic Wellbeing team and matched by a contribution from Maylands Partnership (MP). Since then the council has attracted funding to support the Den from the performance reward grant (specifically for social enterprises), Symbio Energy (private business) and enjoyed continued support from MP. Of the £40k grants issued to date, £25k has been external funded.

1.3. The process of the den is;

1.4. The application process is advertised

1.5. Potential applicants can meet the MBC business advisor during the process

1.6. Applications received against deadline and are sifted and scored by the Economic Wellbeing team members against set criteria

1.7. Finalists go through and present at the Den

1.8. Den panel decide on the grants to be awarded based on;

- quality of business idea
- specifics of how the money would be spent and the outcomes expected
- whether the idea demonstrated potential for business or employment growth
- what methods have been put in place to measure the value of the grant
- Whether suitable key customers have been identified.

1.9. During the first 3 dens (2012-14) 26 businesses have benefitted from a total of £30700 in grants. Most have received £1000, with a small number receiving up to £2000 in special circumstances. From the 2012-14 winners, 92% are still trading.

1.10. Between these winning businesses, a total of 25 additional jobs have been created which is a 52% increase in employment.

1.11. Key successes such as;

- 1.12. Tea Tree Café and Cinnamon Travelling Café (Den winners in 2014) have become finalists in Best newcomer Category of the Hertfordshire Food Awards.
- 1.13. 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.
- 1.14. Skin Therapy (Den winner 2013), used the money to improve online presence. Turnover has increased from £13k in 2013 to £35k in 2014.

A summary of all the Den winners (2012-14) is attached (annex 2).

- 1.15. Dacorum's Den 2015 took place on Friday 12th June and there were 7 winners taking a total of £10k in grants (sponsored by Symbio Energy and Maylands Partnership). These came from a pool of 38 initial applications.
- 1.16. Business advice is offered to all Den applicants and winners and support continues through the businesses life, signposting them to other support opportunities, such as the Hertfordshire growth hub, as appropriate.
- 1.17. Funding to continue the Den into the future years will continue to be sought via business sponsorship where possible, however Maylands Partnership will no longer be able to offer financial assistance as their funding has now all been allocated. It is hoped that DBC can see the benefits created by this scheme and will be able to offer financial support to future rounds.

1. Economic Wellbeing activity

- 1.1. Purpose - Dacorum Borough Council is working to ensure the area is a place where business flourishes; where people will want to come to live and work, all in a safe environment. The Economic Wellbeing team works in partnership with our business community, landowners, commercial agents and developers to make this happen. Our areas of focus, as set out in the Economic Development Strategy 2013-16 can be demonstrated in the diagram below.



1.2. Update;

1.3. The Economic Wellbeing team continue to work closely with both the planning and asset management teams to meet with potential developers, inward investors and expanding businesses to help to work towards positive outcomes from planning applications which support economic growth.

1.4. The Hemel Hempstead Ambassadors programme is being launched (Autumn 2015) to help support Dacorum's Inward investment aims. The Ambassadors programme is aimed at place shaping and in raising the reputation of Hemel Hempstead as a location for business, and a place to live and visit.

1.5. The programme is headed up by a place board made up of senior business executives and has a programme of work to undertake to showcase Hemel Hempstead to the external market. This could include things such as hosting investor conferences and meetings, attending inward investment shows and external PR and marketing for the area. It also creates a network of ambassadors who speak highly of the area when meeting new business associates, so spreading the word and the "buzz" about Hemel Hempstead.

1.6. In addition to inward investment, the EW team continue to concentrate on supporting our current business base to thrive and grow through a variety of initiatives;

- 1.7. Networking events – creation of a new Linked in virtual network and now hosting bi-monthly events with member speakers at each event on targeted business issues. Approx. 40 people attend each event.
- 1.8. Bite sized courses – hosted at the MBC, day and half day courses on issues highlighted by our businesses as barriers to growth. 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.
- 1.9. The Maylands Business Centre continues to thrive and expanded its office accommodation during 2014/15 creating an additional 3 offices, all of which are fully occupied, and there remains a waiting list of 12 for offices and 16 for light industrial units.
- 1.10. Work has commenced on the project to expand the MBC light industrial stock. A tender for construction will be released in June to build 5 additional units on the Bungalow plot adjacent to the current site. It is envisaged that this development will complete in autumn 2016, which will allow additional businesses to be supported and will also raise additional revenue to be reinvested into the EW service, currently estimated at £35k per annum.
- 1.11. Business support, advice and guidance are now embedded in the MBC service provision. The centre offers personal business support supported by COBRA, a suite of information providing business intelligence, fact sheets and regular updates on current business legislation.
- 1.12. To re-enforce our small business support DBC has recently bought into Wenta's "My Incubator Service (MIV)", which offers online business support, available via live chat with expert business advisors. Additionally the small business forum, which allows micro businesses to network, share experience and self mentor, runs at the MBC monthly. It has a regular attendance of 20-25 businesses and speakers determined by the attendees. This forum is now self-funding through a small membership fee. In total for 2014/15 168 businesses were supported on a one to one basis at the centre.
- 1.13. Work has been underway to raise Dacorum's profile with the Hertfordshire LEP, promoting the proactive economic development and regeneration work we do and our future plans. Hemel Hempstead features as an area for investment in the LEP's Growth Plan. Work continues with the LEP and the team will seek to ensure Dacorum takes a role in accommodating employment growth for the county through the M1 growth Corridor. The M1 Growth Corridor group is planned to be formed in early summer which will lead to opportunities to secure funding for employment enabling projects within the borough.
- 1.14. In addition, DBC have representation on the LEP Skills and Employment Programme Board looking at the future skills needs of the county and how Hertfordshire can meet these, and also Business Support Board looking at the provision a consistent support offer for the Start-Up businesses in Hertfordshire, working with other support providers.

- 1.15. Between Nov 2014 and March 2015 the carried out consultancy work assisting Welwyn Hatfield Borough Council in establishing an ED service. This work is being seen as a test case for services we could potentially sell to other boroughs in the future. This piece of work brought approx. £20k of income to offset against the cost of the ED service. Subsequent to this work the team have visited Letchworth Heritage Foundation to present on what ED could do for Letchworth and the foundation are planning on visiting the Maylands Business Centre in the future.
- 1.16. Promotion of apprenticeships and other routes into employment is ongoing in the borough via our Economic Development Officer with a variety of events being held throughout the year. Unemployment figures are on the decrease with the JSA claimant rate currently standing at 1.3% (as compared to a national figure of 1.9%). In 2013 a small grant scheme, funded by DBC, was set up to support Dacorum businesses with taking on an apprentice. The scheme can support up to 40 placements. 14 grants have been paid to Dacorum Businesses; a further 3 are currently ring-fenced whilst we work with the employers to find the right apprentices and training framework.
- 1.17. For the second year running the Economic Development Officer is working with 7 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 21-23 October 2015.
- 1.18. Quarterly partnership meetings are held with Dacorum's secondary school Careers Advisers, Youth Connexions and West Herts College. A 'not going to Uni' event is planned for the beginning of July.
- 1.19. Business needs are identified through quarterly surveys; topics to date have included Skills and Finance, the next one will be on Growth. Results are analysed and actions identified by the Growth Forum, a partnership of local businesses who direct the work of the Economic Development Officer.
- 1.20. The Economic Wellbeing 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 2014/15 is attached (annex 3).
- 1.21. The Dacorum Look No Further funding ceased at the end of March 2015, but the work continues into 2015/2016 with additional income being generated through the extensions to the MBC, the Small Business Forum, The Business Directory, workshops and consultancy work. This income can be used to further support the ED work in Dacorum. There is also potential to generate further funding for the business support work through the LEP and ERDF funding.
- 1.22. 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.
- 1.23. Through continual two-way communication with our business community the Economic Wellbeing 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.

Summary

In order to maintain our current level of work around care and retention for our business community support, we now charge for events that we hold to cover costs and we are looking at other ways to raises revenue which we can re-invest into economic development. An example of this is charging for our on-line business directory based on the DLNF website. This has currently brought in £1000+ which can be used for other ED activity. In addition, any profits from the workshops will also be reinvested in other ED work. The service is striving to self fund wherever possible.