Executive Committee and Council only
Date signed off by the Monitoring Officer: 11.09.19
Date signed off by the Section 151 Officer: 10.09.19

Committee: **Executive Committee**

Date of meeting: **25th September 2019**

Report Subject: **Enterprise Framework**

Portfolio Holder: **Cllr D Davies, Executive Member Regeneration and Economic Development**

Report Submitted by: **Ellie Fry, Head of Regeneration & Development**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
03.09.19	03.09.19	11.09.19			23.09.19	25.09.19		

1.   **Purpose of the Report**

1.1   To provide Members with the Enterprise and Innovation Framework that has been co-developed with business professionals from the Blaenau Gwent Enterprise Board (BGEB) to guide the approach being taken by the Council and BGEB to support businesses and assist in innovative interventions.

2.   **Scope and Background**

2.1   On 18th March 2019 a report was taken to the Environment, Regeneration and Economic Development Scrutiny Committee setting out the measurement that had been agreed to be used for the Enterprise Framework. The UK Competitiveness Index (UKCI) sets out a UK wide index of five key measurements to ascertain the health of the local economy and is updated every three years.

2.2   The five UKCI input factors will be used to target BGEB actions

   • Business Start-up rates per 1000 inhabitants
   • Number of businesses per 1000 inhabitants
   • Proportion of knowledge based businesses
   • Economic Activity Rates
   • Proportion of working age population with NVQ4 or above

2.3   This baseline is also being used at a Cardiff City Region level and therefore means that we are not collating different data for separate purposes.

2.4   A meeting was held with Professor Huggins of Cardiff University who is one of the co-authors of the UKCI and he has shared the raw data with the Council to interrogate the data fully as it applies to Blaenau Gwent. We are also sharing the strategy and action plan with Prof Huggins for his comments.

2.5   The members of BGEB have co-written the framework over the last few meetings where it has discussed business sentiment and experience; plus the last nine years UKCI outputs to help shape the action plan. The last three UKCI's are indicated in the plan to give an indication of movement of the 10 Cardiff City Region (CCR) local authorities.

2.6   The document provides a mechanism through which a range of available support for business can be collated and targeted rather than spreading the business support services too thinly over a wider variety of interventions. With a targeted approach that takes account of the UKCI we can engage proactively with the Board and other identified parties to think of solutions and target investment into the things businesses need.

2.7   The Tactical Plans identify support that has been proven to assist business in starting and growing. The aim is to ensure that all available support is assembled to help businesses in Blaenau Gwent. This approach has already begun and we are already seeing benefits in working with other business support agencies to boost our businesses. The details of the tactical plans lie within the Regeneration Business Plan.

2.8   In targeting tech businesses we are raising the GDP through better paid jobs in the County Borough. With Thales based in BG we have seen an increase in enquires from tech businesses but to attract them from the initial enquiry stage we have to work hard to encourage them in while competing with other areas. This is a clear focus for us in the Enterprise Framework.

        Encouraging Innovation is the most difficult area for the BGEB to make a real difference. However by including it in the plan we are actively targeting the action and investigating how the Board can champion ideas like online innovation platforms that enable SMEs/colleges to respond to large businesses that pose business problems they need to be addressed. This, alongside targeted networks to enable small and large businesses to interact will be our aim to begin this action.

        Lastly the Enterprise Board has a small budget of £50,000 from Welsh Government to enable the strategy to deliver some small interventions. This budget is a legacy from the WG Enterprise Zone initiative. Project bids for that money are listed at the end of the framework document.

        The Enterprise Framework links to Tech Valleys delivering on local engagement with businesses; the Enterprise Framework identifies who is able to deliver on different activities; it shares the vision around promotion and support of technological businesses. It compliments Valleys Task Force by supporting the technical skills required to change the skill set of the local populous to enable them to access more tech jobs. The Framework also gives us the opportunity to influence business development requirements in a City Region context.

3.   Options for Recommendation

Option 1 – Do Nothing

3.1.   A decision not to approve the Enterprise Framework would result in a reliance on delivering support in a more uncoordinated way with no link to associated measurement and would be unsupportive of the skills and expertise of the BG Enterprise Board, and wider partnerships in assessing how we can best support business in BG.

Option 2 – Preferred Option

3.2.   Approval of the Enterprise Framework would give clear support to the BG Enterprise Board and enable a proactive approach in our efforts to increase the coordination of our business support with a targeted approach based on the UKCI measurement.

4.   Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan

4.1.   This topic supports the achievement of the Council's Corporate Plan 2018-2022 in the following area:

Economic Development and Regeneration:
   •   To work with partners to provide effective employment support and access to skills development
   •   To increase the start-up business rate, retention and growth of local businesses and attract new inward investment

5.   Implications Against Each Option

5.1.   *Impact on Budget (short and long term impact)*

5.1.1.   There are no short term budget implications associated with the options presented within the report.

5.2.   *Risk including Mitigating Actions*

5.2.1.   The risks associated with option 1 outlined within the report is that business support within Blaenau Gwent is not targeted.

5.2.2.   The risks associated with option 2 outlined within the report are minimal. There is a risk that the strategy fails to reach targets identified through the UKCI; using the strategy as a method through which we address business support and innovation would reduce this risk.

5.2.3.   A further risk is the pressure on staff resources to facilitate and manage business support. Using the strategy we aim to maximise the support gathered from other business support organisations to assist us tackling the challenges we have in BG.

5.3.   *Legal*

5.3.1. There are no legal implications associated with this report.

5.4.   *Human Resources*

5.4.1. There are no additional implications for human resources.

6.   **Supporting Evidence**

6.1.   *Performance Information and Data*

6.1.1. The UK Competitiveness Index is being used as the supporting documentation for measurement of outcomes. This has been taken to a previous scrutiny meeting.

6.2.   *Expected outcome for the public*

6.2.1. • Increased, targeted resources into business support
        • Targeting innovative solutions
        • Targeting tech businesses

6.3.   *Involvement (consultation, engagement, participation)*
6.3.1. The Enterprise Strategy has been co-written by officers of the Council and local businesses represented on the Blaenau Gwent Enterprise Board. Expertise is also being sought from Cardiff University.

6.4.   *Thinking for the Long term (forward planning*)
6.4.1. The strategy and action plan is designed to be a method to organise support to target areas of need identified through business and take account of changing and future business needs of Blaenau Gwent.

6.5.   *Collaboration / partnership working*
6.5.1. The strategy has been written in collaboration with business.

6.6.   *Integration (across service areas)*
6.6.1. The report has been shared with CLT for information

7.   **Monitoring Arrangements**
        Monitoring will be done through the BGEB and the UKCI

        Background Documents /Electronic Links
        Appendix 1 – Enterprise Framework July 2019