

## **WEST DUNBARTONSHIRE COUNCIL**

### **Report by Acting Executive Director of Housing, Environmental and Economic Development (Housing and Regeneration Services)**

**Housing, Environment & Economic Development Committee: 7 November 2007**

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**Subject: Economic Development Business Support programmes**

#### **1. Purpose**

- 1.1** The purpose of this report is to inform Committee of the business activity which has been generated through the Council's business support programmes and delivered by the Economic Development Section of Housing, Environmental, and Economic Development Department during the last financial year.

#### **2. Background**

- 2.1** The aim of the business support programmes is to provide business start up assistance, employment opportunities, support the training and upskilling of existing employees and give assistance to businesses to support their growth.
- 2.2** A report on performance was presented to the Community Safety and Environmental Services Committee on 13 June which included a reference to the number of businesses assisted by the Economic Development Section.
- 2.3** At that meeting the committee requested that further information be provided to detail how successful these assistances had been. In particular information was requested on how many jobs had been created and how many businesses had expanded.

#### **3. Main Issues**

- 3.1** The following is a summary of the activities which were managed in the last financial year 2006/07 by the Economic Development Section to support businesses in West Dunbartonshire.

##### Business Start-up Grant (31 years plus)

- 3.1.1** A grant of up to £500 is available to assist individuals over 31 years of age with their start up costs. During the last financial year we awarded 72 Start up Business grants. This has either sustained or created 72 new jobs and provided further employment opportunities as the businesses develop.

##### Business Improvement Training for Employees (B.I.T.E)

- 3.1.2** BITE is a discretionary training grant managed by West Dunbartonshire Council in partnership with East Dunbartonshire, Argyll & Bute Council, and Scottish Enterprise Dunbartonshire. This programme is also part funded by the European Social Fund. BITE aims to provide new skills for the employees of eligible businesses which will improve the employability of the workforce and also increase the effectiveness of the business thus contributing to strengthening the local economy. During last financial year 90 BITE applications were approved which resulted in 306 local employees receiving training.

West of Scotland Loan Fund (W.S.L.F)

- 3.1.3** This fund which is partly supported through the European Regional Development Fund provides loans to help small and medium sized businesses to set up and grow. The loan may be used to buy plant, equipment and to expand the business. Loans of up to £25,000 are available at 2% above the bank base rate over a repayment period of up to 5 years to meet the businesses needs. During 2006/07 we supported 7 businesses with loan funding which helped to safeguard 27 jobs and also helped to create 60 new jobs. The total amount of loan funding approved last year totalled £83,000. This helped to lever in additional private investment of £907,000.

Product & Service Launch Scheme (P.S.L.S)

- 3.1.4** This programme provides financial support by way of grant assistance of 50% of cost up to £500, which can be used to launch a service or product. This grant is designed to help businesses under two years old to market themselves effectively through the provision of financial assistance with their marketing costs. During the last financial year we assisted 85 businesses to market themselves effectively helping them to create new customer opportunities. The majority of this support has been targeted at new start businesses.

Business Capital Grant

- 3.1.5** The Business Capital Grant is available to enable established businesses to purchase essential equipment or machinery; this can include adaptations, alterations, or upgrading to existing equipment needed to allow the business to expand. The grant will assist with 30% of the total cost up to a maximum of £3,000. Last year 3 businesses received a capital grant which they indicated would help them to create 24 new jobs.

New Employment Apprenticeship Training (N.E.A.T.)

- 3.1.6** The aim of this programme is to increase the number of vocational traineeships for young people within West Dunbartonshire. The programme offers a financial grant to businesses who will give young people between the ages of 17 and 23 years both on and off the job training, which will enable the young person to achieve an apprenticeship within that company's industry. This programme helps the company with the costs associated with training apprentices thus encouraging companies to recruit young people where previously they felt they were unable to due to the cost. The level of the grant is dependent upon the recruit and their circumstances. N.E.A.T. is a partnership between West Dunbartonshire Council and Scottish Enterprise Dunbartonshire.

During last financial year 9 businesses were supported to provide 9 beneficiaries with training towards an apprenticeship.

Innovation Centre, Dunbartonshire

- 3.1.7** The Innovation Centre is available to anyone developing a new or improved product, whether they are unemployed, employed or running a business. The facilities at the centre include a computer suite with a CAD station which can enable renderings of prototypes. Other facilities available include workbenches, hand tools, machine tools, specialist equipment and the support and assistance of full-time professional staff. Last year the Innovation Centre supported approximately 30 people to develop products.

**4. Personnel Issues**

- 4.1** There are no Personnel Issues

**5. Financial Implications**

- 5.1** The above programmes were delivered within the available budget.

**6. Risk Analysis**

- 6.1** There is a risk that failure to deliver economic development services could have an adverse impact on the West Dunbartonshire economy.

**7. Conclusions**

- 7.1** It is clear that the economic development services delivered by the Council have supported both business development and training within the area.
- 7.2** It is intended to continue to closely monitor the above noted business support programmes and further develop evaluation processes which will provide more detailed information in the future relating to the value of business support programmes.

## **8. Recommendations**

- 8.1 The Committee is asked to note the continuing support that is being provided to local businesses by the Council through its economic development activity.**

**Irving Hodgson**

**Acting Executive Director of Housing, Environment**

**and Economic Development (Housing and Regeneration Services)**

**Date: 19 October 2007**

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**Appendices:** None

**Background Papers:** None

**Wards Affected:** All Wards