

Record of operational decision

Decision title:	Decision to appoint business advisor to deliver 1-2-1 business start-up advice
Date of decision:	28 th July 2022
Decision maker:	Service Director for Economy
Authority for delegated decision:	<p>The chief executive's scheme of delegation</p> <p>The authority is for the specified officer to take this decision is established under the chief executive's scheme of delegation SA45.</p> <p>http://councillors.herefordshire.gov.uk/ecSDDisplayclassic.aspx?NAME=SO D01</p> <p>The authorisation limit within the financial procedure rules is sufficient for the decision and the above named officer has authority under the contract procedure rules.</p>
Ward:	Countywide
Consultation:	N/A – Operational budget and activity funded is business as usual.
Decision made:	Award contract to CGR Business Solutions Ltd (CGRBS) following ITQ in accordance with the Contract Procedure Rules to deliver 1-2-1 business start up advice to 35+ start-ups up to 31 st March, 2024 at a cost of £24,500. Each start up business will receive no less than 14 hours advice. The activity will be funded from Economic Development budget.
Reasons for decision:	<p>Following the successful delivery of the ERDF Start-up Programme (in partnership with Telford and Wrekin Council), to over 40 entrepreneurs and start-ups, Herefordshire Council would like to continue the delivery of 1-2-1 business start-up support and advice, to Herefordshire based entrepreneurs and business start-ups (up to 12 months old).</p> <p>In 2018, 715 new businesses started up in Herefordshire, a rate of 8.5% (start-ups as a percentage of all active businesses). This was lower than in the West Midlands (13.3%) and nationally (13.0%). Start-ups are surviving longer in Herefordshire than regionally and nationally (92% at one year for businesses started in 2017, 59% at three years for businesses started in 2015 and 48.1% at five years for businesses started in 2013). Herefordshire has a greater number of businesses per head of population (527 per 10,000 per population aged 16+) than across the West Midlands (498).</p> <p>CGRBS will be expected to work alongside the Marches Growth Hub (Herefordshire), liaising with the Growth Hub Manager, and the Economic Development Team, to generate interest and take up of the start-up 1-2-1 support programme but it is worth noting that there is also a pipeline of entrepreneurs waiting to receive support as the previous programme has met all of its targets.</p>

	<p>Each business will have a minimum of 14 hours support. A minimum of four hours will be 1-2-1, to cover personalised and bespoke action/business planning and follow up.</p> <p>Up to 10 hours can be business workshops focusing on sessions that will provide the skills and understanding to start a business, assess viability, how to explore and exploit business opportunities, legal considerations, access to finance and successful business planning, selling and marketing etc.</p> <p>CGRBS has extensive experience in delivering start up courses and tailored advice and was successfully chosen following a tender process carried out in accordance with council's contract procedure rules.</p> <p>The maximum budget for this contract is £24,500 for the term up to 31 March 2024.</p> <p>This contract will run up to March 2024 or until the funding has been fully allocated (whichever is the soonest).</p>
<p>Highlight any associated risks/finance/legal/equality considerations:</p>	<p>The cost to deliver the support to the entrepreneur/start up is £700. In order to ensure that the target of 35 businesses is met, the council will only pay CGRBS when a minimum of 10 hours of support has been provided to each start up business. This will trigger a payment of £500 then the remaining £200 per business will be paid when in two instalments of £100 as they provide 2 hour blocks of advice and support.</p> <p>CGRBS has been part of a group of advisors that has successfully delivered start up training for Herefordshire Council and across the Marches. They have overachieved their target and have provided support to an additional three businesses with a value of £2,100 at no cost to the authority.</p> <p>The contract payment schedule will ensure that Herefordshire Council does not pay for those businesses who enrol but later leave the programme.</p> <p>The programme will be available to Herefordshire based entrepreneurs and start-ups who meet the qualifying criteria.</p>
<p>Details of any alternative options considered and rejected:</p>	<p>There is currently no external funding available to cover start up courses and the ED Team/Growth Hub are still receiving requests for support which cannot be met by existing provision. The funding is coming from an existing operational budget which includes business support.</p>
<p>Details of any declarations of interest made:</p>	<p>None declared.</p>

I am an officer delegated to make the decision

Signed:

Print Name: Roger Allonby

Job Title: Service Director for Economy