

## Record of Officer Decision

<b>Decision title:</b>	To agree to proceed to open procurement through the council's procurement portal, and appoint up to six business advisors to deliver 1-2-1 business advice for years 23/24 and 24/25 of UKSPF Funding under measure E24: Training hubs, business support offers, incubators & accelerators.
<b>Date of decision:</b>	12/05/2023
<b>Decision maker:</b>	<b>Corporate Director of Economy and Environment</b>
<b>Authority delegated decision:</b>	Chief Executive Scheme of Delegation to Officers Appendix 1 – SA45 - Economic Development in consultation with S151 Officer
<b>Wards:</b>	All
<b>Consultation:</b>	The UKSPF Investment Plan included extensive engagement with a wide range of stakeholders across a diverse range of groups, organisations and sectors. Business support is included as a key part of the Investment Plan under the 'supporting local business' investment priority.
<b>Decision made:</b>	Following the outcome of the council's contract procedure rules, we will appoint the six highest scoring suppliers to deliver tailored business support to Herefordshire based businesses - in order to improve business performance - up to 31 <sup>st</sup> March, 2025.
<b>Reasons for decision:</b>	<p>In April 2022, government launched the UK Shared Prosperity Fund (UKSPF), to replace the EU structural funds.</p> <p>The primary goal of the UKSPF is to build pride in place and increase life chances across the UK. This aligns with the Levelling Up White Paper missions. Funding is targeted where it is needed most: building pride in place, supporting high quality skills training, supporting pay, employment and productivity growth and increasing life chances.</p> <p>The council has been allocated £7,545,330 to be spent between 2022 and 2025, of which, £903,194 is for 'Multiply' adult numeracy support which is subject to a separate decision. Government announced approval of the Investment Plan on the 5 December 2022, and Cabinet took the decision to accept and spend these funds on 15th December, 2022  <a href="https://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=9216">https://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=9216</a></p> <p>This commission relates to a package of business support to be delivered under E24: Training hubs, business support offers, incubators &amp; accelerators in financial years 23/24 &amp; 24/25 of the UKSPF Investment Plan. The tailored business support should help businesses 12months+ to improve their business performance. This is either through a reduction in costs, or an increase in turnover or profit. This may include, business planning, sales and marketing expertise, innovation, the adoption of management best practices, use of new technologies, reaching new customers/markets, streamlining processes, supporting effectiveness of sales and diversifying offerings.</p> <p>Businesses will have a minimum of two days 1-2-1 support before the end of March 2025. Advisors will be paid for time to support research, session preparation, report writing etc. around the sessions but all preliminary work, research and admin required to directly support the business must be declared to the business and signed off by them. This is capped at 50% of the 1-2-1 time spent with businesses.</p>
<b>Highlight any associated risks /</b>	<b><u>Finance</u></b>

<p><b>finance / legal / equality considerations:</b></p>	<p>The contract is for £250,000 and each advisor will be paid £650 per 8 hour day to deliver business advice. This contract is fully funded from the UKSPF allocation. We expect between 100-125 enterprises to benefit from an improvement in business performance as a result of this support.</p> <p><b><u>Legal</u></b></p> <p>UKSPF grant terms (including output/outcome definitions) will be written into the supplier contracts, and collection of the outputs will form part of these. Suppliers will be given three months after delivering the business support to collect the evidence relating to an improvement in business performance.</p> <p>All advisors have the necessary insurances and professional indemnities in place.</p> <p><b><u>Procurement</u></b></p> <p>The route will be open procurement, issued via the ProContract Portal (Supplying the South West), in accordance with the council's contract procedure rules.</p> <p><b><u>Risks</u></b></p> <p><b>Reputational Risk:</b> There is a reputational risk if the council chooses not to deliver this activity. It is recommended that the council delivers the programme of business support, to meet the aims and objectives of the UKSPF Investment Plan and support the growth and performance of Herefordshire based businesses.</p> <p><b>No take up:</b> We receive regular requests from businesses for 1-2-1 support, via the Marches Growth Hub and ED Team. We have a pipeline of businesses waiting for tailored advice and will refer these to the advisors. The advisors can also generate their own pipeline of businesses, as long as they meet the criteria. We will also publish the opportunity via the Marches Growth Hub website, the council's UKSPF web page and via social media and other networks.</p> <p><b>Not meeting the required outputs:</b> The council has committed to delivering business support as part of the Investment Plan and is required to meet outputs and outcomes as a result of this support. This will be written into the advisor contracts and the advisors are required to collect the relevant evidence following the business advice given.</p>
<p><b>Details of any alternative options considered and rejected:</b></p>	<p>The council does not have to deliver this activity and does not have to receive the allocation given to Herefordshire. Currently, there is no other funding to commission a similar contract and the opportunity would be lost to Herefordshire businesses. If this contract isn't entered into, Herefordshire businesses would miss out on much needed tailored business support. Businesses are currently facing difficult economic conditions with inflationary costs associated with high energy prices. Not supporting local businesses may result in the lack of growth potential, lack of further investment, lack of business resilience to cost increases and loss of jobs to the local economy.</p>
<p><b>Details of any declarations of interest made:</b></p>	<p>None.</p>

Signed:  
Ross Cook, Director for Economy and Environment

Date: 12 May 2023