

AGENDA ITEM No. 5.....**NORTH LANARKSHIRE COUNCIL**

REPORT

TO: ECONOMIC DEVELOPMENT COMMITTEE		Subject: LOCAL ENTERPRISE TRUSTS IN NORTH LANARKSHIRE
From: DIRECTOR OF PLANNING & DEVELOPMENT		
Date: 18TH JANUARY 1996	Ref: JT/GS/REPORT.005	

Purpose of report

To inform the Economic Development Committee of the existing position concerning the role and financing of the three Enterprise Trusts within the Council area.

Background

At present Cumbernauld and Kilsyth Enterprise, Monklands Enterprise Development Company Limited and Motherwell Enterprise Development Company operate within the North Lanarkshire Council area. Strathkelvin Enterprise Trust operates within the 4 Wards of the existing Strathkelvin District which will become part of North Lanarkshire. It has been agreed that Cumbernauld and Kilsyth Enterprise Trust will take over responsibility for that area.

Each Enterprise Trust aims to offer a localised comprehensive business development service, especially to start-up and small/medium sized enterprises (SME's), normally encompassing the following services;

- business counselling
- industrial/commercial property advice
- business training information (in some cases actual provision of training)
- information on sources of grant aid other business support mechanisms

The degree to which each Enterprise Trust provides such services differs. Contributory factors include level and type of funding received, staffing resources, internal management and the use of Enterprise Trusts in the localised provision of local authority and local enterprise company initiatives and programmes.

Funding

The usual funding structure of Enterprise Trusts consists of contributions received from the private sector, local authorities and the local enterprise company. In addition, earned income is obtained from local authorities and the local enterprise company. In the case of Cumbernauld and Kilsyth Enterprise Trust, funding has been received annually from Cumbernauld Development Corporation. The Corporation will wind-up at the end of 1996.

The funding of the 3 Enterprise Trusts for the financial year 1994/95, is noted below.

Cumbernauld and Kilsyth

	<u>Core Funding</u>	<u>Project Funding</u>	<u>Other</u>
Dunbartonshire Enterprise	-	£164,400	-
Strathclyde Business Dev.	£8,000	£ 33,000	-
Cumbernauld Dev. Corp.	£12,500	£ 12,500	-
Cumbernauld & Kilsyth DC	-	-	£13,000
PSYBT	-	-	£26,000
Total Income:	£269,400		
Reserves:	£150,000		

Monklands Enterprise

	<u>Core Funding</u>	<u>Project Funding</u>
Strathclyde Business Dev.	£ 22,000	£ 80,000
Monklands D.C	£ 45,000	£ 62,000
E.E.C	-	£256,000
L.D.A	-	£538,827
Private Sector	£179,765	-
British Coal	£ 26,250	
Compact	-	£100,200
Sundry	-	£ 10,000
Urban Aid	-	£ 67,000
Total Income	£1,387,042	
Reserves	£200,000	

Motherwell Enterprise Development Company

	<u>Core Funding</u>	<u>Project Funding</u>
Strathclyde Business Dev.		
Motherwell D.C	£ 20,000	£ 125,701
L.D.A	-	£ 914,401
British Steel (Industry) Ltd	-	£ 20,000
PSYBT	-	£ 35,784
E.E.C	-	£1,719,000
Private Sector	-	£ 140,932 (Earned Income)
Total Income	£2,975,818	
Reserves	Information not available	

Conclusion

The Director of Planning and Development is currently reviewing the role and funding of the 3 Enterprise Trusts. Consideration of the level and type of funding; in relation to the financial position of the Council, together with a review of Council delivery of programmes through Enterprise Trusts will form the basis of a further report to Committee.

Recommendation

That the Committee note the contents of this report and;

- (i) agree to the submission of a further report concerning the future funding of Enterprise Trusts and;
- (ii) instruct the Director of Planning and Development to consider the utilisation of Enterprise Trusts in the dissemination of the Councils economic/business development initiatives.

For further information contact G Smith, Head of Business Development and Property.

