

To: ECONOMIC DEVELOPMENT COMMITTEE		Subject:  LOCAL AREA ENTERPRISE TRUSTS - PERFORMANCE 1999/2000 AND TARGETS 2000/2001
From: DIRECTOR OF PLANNING & ENVIRONMENT		
Date: 8 June 2000	Ref: EB/REP690	

## 1 Purpose

- 1.1 The purpose of this report is to inform committee of the performance of the local area enterprise trusts for 1999/2000 and the delivery of Council services to relevant companies during 2000/2001.

## 2 Introduction

- 2.1 At its meeting held on 9 June 1999 the Economic Development Committee approved funding for the Enterprise Trusts to delivery specific programmes on behalf of North Lanarkshire Council to their client base - companies employing less than 25 people.

## 3 1999/2000

- 3.1 Specific targets were given to the Enterprise Trusts to deliver appropriate programmes on the Council's behalf to their client companies. Each of the three Enterprise Trusts entered into an agreement to achieve their targets within the financial year in order to maximise the funding available to them. Officers of the Council held training sessions with each of the Enterprise Trusts. The Senior Economic Development Officer responsible for Services to Business liaised with the Trusts and as part of the conditions of receiving funding they submitted quarterly monitoring reports containing details of performance against target.
- 3.2 As Committee will be aware the Southern Area was serviced throughout the first half of the year by Motherwell Business Advice Centre. This service had been set up as a temporary measure by the Council and Lanarkshire Development Agency so that individuals starting up in business were able to receive the appropriate grant support and counselling. During the year a new Enterprise Trust was set up in Motherwell - Motherwell Area Enterprise and was set targets for business support to new and existing businesses for the six months period to the end of the financial year

3.3 The activities carried out by the Enterprise Trust on the Council's behalf included the following:

- Delivery of the BOOST for Business Start Up Grant to unemployed individuals starting up in business, which includes counselling, training and on-going support to the new business.
- Small Business Support Scheme - Appraising applicants and making recommendations for support.
- Management and Technology Training Grant - Assisting in application process and company appraisals.
- Employment Grants Scheme - Assisting companies in submission of applications.
- Business Loans - Assisting companies in production of Business Plans and monitoring companies in receipt of loan funding.

3.4 Initial targets were set based on previous activity within each Enterprise Trust, the size of the client group and the budget available for the delivery of each programme. These targets were reviewed during the year and amended where applicable, eg additional funding was made available to the BOOST Grant following an increase in demand from the client group. This enabled 154 individuals to start up in business. The initial target figure for this programme had been set at 116.

3.5 The table below shows the number of outputs relating to the targets set and show that Enterprise Trusts overall exceeded the number of assists anticipated.

### 3.6 Performance

<u>Enterprise Trust</u>	<u>Cumbernauld</u>		<u>Monklands</u>		<u>Motherwell</u>	
<u>Assists</u>	Target	Actual	Target	Actual	Target	Actual
<u>Programme</u>						
Small Business Support Scheme	4	1	2	4	4	3
Business Loans	8	6	14	13	17	21
MTTG	13	20	12	19	13	24
EGS	15	19	10	5	25	23
BOOST	50	48	33	30	33	50*
<b>TOTAL ASSISTS</b>	<b>90</b>	<b>94</b>	<b>71</b>	<b>71</b>	<b>92</b>	<b>121</b>

\*An additional 26 individuals received BOOST grant with the assistance of the Motherwell Business Advice Centre

3.7 In addition to the outputs shown in the above table each of the Trusts carried out additional work on behalf of the Council on an ad hoc basis and within the framework of the annual funding available to them. These included assisting a community based project to prepare their business plan and arrange funding packages; the delivery of an urban programme Employment and Training project; and introducing a new element of activity to the Trusts on a pilot basis ie the monitoring of MTTG assisted companies.

#### 4 2000/2001

- 4.1 Following discussions with each of the Enterprise Trusts, targets for the coming year have been set and their level of funding will be linked to their performance over the year and to the size of their client group.
- 4.2 The following table indicates the overall level of assists for each of the Enterprise Trusts for the period from 1 April 2000 to 31 March 2001.
- 4.3 A Service Level Agreement is being prepared for each of the Enterprise Trusts which will cover the targets, the proposed funding, the reporting and monitoring procedures for their activity.
- 4.4 **Overall Targets**

<u>Enterprise Trusts</u>	<u>Target Assists</u>
Cumbernauld	130
Monklands	135
Motherwell	197

#### 5 Recommendation

Committee is asked to note the contents of this report and approve the level of funding to be awarded to the Enterprise Trusts up to a maximum of:

Motherwell Area Enterprise	£31,050
Monklands Enterprise Development Company	£21,500
Cumbernauld Area Enterprise	£21,500



**Director of Planning and Environment**

11 May 2000

For further information please contact Ellen Byers, Senior Economic Development Officer.  
Telephone : 01236 616275