

AGENDA ITEM NO. 17

To: ECONOMIC DEVELOPMENT COMMITTEE		Subject: LOCAL AREA ENTERPRISE TRUSTS - ACTIVITY REPORT 1 APRIL - 30 SEPTEMBER 2000
From: DIRECTOR OF PLANNING & ENVIRONMENT		
Date: 23 November 2000	Ref: EB/REP746	

1 Purpose

- 1.1 The purpose of this report is to inform committee of the activity of the local area enterprise trusts during the period 1 April to 30 September 2000.

2 Introduction

- 2.1 At its meeting held on 8 June 2000 the Economic Development Committee approved funding for the Enterprise Trusts to deliver specific programmes on behalf of North Lanarkshire Council to their client base - companies employing less than 25 people. The Enterprise Trusts deliver these programmes under their trading name of the Small Business Gateway.

3 Background

- 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. 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 The activities carried out by the Enterprise Trust on the Council's behalf include 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.
 - Lanarkshire Business Training Grant - Assisting in application process and company appraisals.
 - Business Loans - Assisting companies in production of Business Plans and monitoring companies in receipt of loan funding.

- 3.3 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 have been the subject of review during this period and are being amended where applicable.
- 3.4 Original outputs had been agreed prior to the beginning of this financial year and it was understood that since several programmes were coming to the end of their lifecycle and the Council were developing new projects to better meet the needs of the local business community there would be the need for an ongoing period of review until the new range of programmes were finalised.
- 3.5 During this period the impact of the project development has been reflected in the activity of the Enterprise Trusts. 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.

4 Summary of Activity

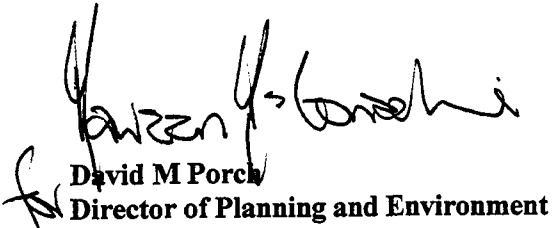
<u>Enterprise Trust</u>	<u>Cumbernauld</u>		<u>Monklands</u>		<u>Motherwell</u>	
<u>Assists</u>	Target	Actual	Target	Actual	Target	Actual
<u>Programme</u>	for year.	to date	for year.	to date	for year.	to date
Small Business Support Scheme	3	1	4	1	4	4
Business Loans	5	0	5	1	4	2
LBTG	9	3	13	1	17	1
BOOST	40	23	30	33	55	23
TOTAL ASSISTS	57	27	52	36	80	30

- 4.1 The figures above indicate that each of the enterprise trusts has areas of activity that are performing better than others. It should be recognised that the Lanarkshire Business Training Grant was only launched during the last 8 week period being reported and that interest in this programme is now being stimulated through the enterprise trusts. Discussions are taking place with the Enterprise Trusts on the delivery, and anticipated level of assists, of the new Lanarkshire Training Fund which will address the needs of companies who require to upskill their employees with more basic levels of training than is covered by the Lanarkshire Business Training Grant. The activity relating to this programme will be reported in the next quarter.
- 4.2 The BOOST for business start up figures indicate that there will be a full take up of this grant – Monklands have already exceeded their target for the year. Cumbernauld are also anticipated to meet their target. These figures are contrary to the current all round decrease in the number of business start-ups. The level of activity in Motherwell better reflects the overall start-up numbers, although the indications are that the numbers are now starting to pick up again and this should be reflected in future levels of grant assistance.
- 4.3 The number of assists for Business Loans is only reflected when an offer of funding is made to the business. There is a longer process involved in assisting companies to complete business plans and the financial information required. There is therefore a longer lead in time before the Council receives the completed application. There are indications that the level of activity is now increasing in this area and should be reflected in future reports to Committee.

4.4 Overall, the Enterprise Trusts have performed well during this period of change and it is anticipated that a significant increase in the level of activity will be apparent by the end of the next quarter.

5 Recommendation

Committee is asked to note the contents of this report.



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Director of Planning and Environment

1 November 2000

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