

AGENDA ITEM NO. .... 6(a) .....

REPORT

To: PLANNING AND ENVIRONMENT COMMITTEE		Subject: EUROPEAN FUNDING APPLICATIONS – OBJECTIVE 3 – LANARKSHIRE BUSINESS TRAINING FUND
From: DIRECTOR OF PLANNING & ENVIRONMENT		
Date: 1 May 2002	Ref: EB/Rep844	

## 1. Purpose of Report

- 1.1 This report is submitted to the Planning and Environment Committee in order to seek approval for the submission of an application to the European Structural Funds Objective 3 Programme for the proposed Lanarkshire Business Training Fund.

## 2. Background

- 2.1 Following the establishment and work of the Lanarkshire Economic Forum it has been considered that a joint package of business training services, with uniform eligibility criteria and grant funding levels, would prove the most effective means to deliver support to new and recently founded businesses with their business training needs. It is also the view that this approach would have the greatest chance of attracting match-funding under the European Structural Funds.
- 2.2 A working group consisting of officers from both Councils has been meeting to address this issue. The Lanarkshire Business Venture Fund which was the subject of a report dated 1<sup>st</sup> February 2002 which was submitted to the Committee on 20<sup>th</sup> February and which has been submitted for European Objective 2 funding resulted from these discussions. There are additional proposals to extend business support programmes across Lanarkshire. The first of which is a proposal to simplify the existing training grant provision – which should result in a more streamlined product for the business community.

## 3 Proposed Lanarkshire Business Training Fund

- 3.1 North and South Lanarkshire Councils, Scottish Enterprise Lanarkshire and the Small Business Gateway network undertook an informal review of the existing Lanarkshire Training Fund and Lanarkshire Business Training Grant schemes in December 2001. The following proposal is now being put forward, based on these discussions for a revised scheme of assistance to be piloted in 2002 using Local Authority revenue finance. An ESF application will be submitted for the scheme to Objective 3 in May 2002 The Lanarkshire Business Training Fund is designed to meet the strategic aims of the Policy and Economic Development Service, in particular Creating an Environment to Support Sustainable Economic Growth through Strategic Business Development, Stimulating Enterprise and Self-Employment and Working in Partnership. It also contributes towards the aims of the Council's Corporate Plan Priority Theme, Stimulating Business and the Economy.

3.2 The Lanarkshire Business Training Fund will provide one flexible grant scheme capable of supporting the following types of business training:

- In-company training of new employees delivered by other employees who already hold a recognised qualification.
- Non-core business skills training which do not lead to a qualification.
- Training which leads to SVQ Level 2 or above equivalent up to and including distance learning Degree Courses – where relevant to the business.
- Group Training Schemes organised by the business development network.
- Support for implementation of quality standards.
- External needs analysis undertaken by Council approved supplier.

3.3 General guidelines will include:

- All companies will be eligible for support including retail and voluntary organisations.
- Maximum grant support for any one company in any one year will be £5,000.
- Up to 50% of grant awarded will be payable as soon as company have paid for training with the balance payable after the monitoring visit and proof of payment and other documentation has been completed.

A one-page application form reflecting the style of other business support applications will be used – all other information required will be collected during appraisal process and at time of monitoring.

#### **4 Conclusion**

4.1 Developmental work including consultation with appropriate partners is now ongoing in order that the application can meet the May 2002 deadline. A requirement of Scottish Objective 3 applications is that approval is obtained from the Council in order that applications are deemed competent. Given the tight deadline for applications and the Committee cycle within North Lanarkshire it is not possible at this stage to provide more detailed information as to the content of the application. A further report will be submitted to Committee with full programme criteria and guidelines as soon as they are available.

4.2 It is proposed that the £94,000 annual contribution will be financed from the existing business training budget lines – ie Lanarkshire Business Training Grant £64,000 and Lanarkshire Training Fund £30,000.

#### **5 Recommendation**

5.1 The Planning and Environment Committee is requested to:

- i) Approve the submission of an application for ERDF support through the Scottish Objective 3 Partnership to match fund the proposed Lanarkshire Business Training Fund programme.



**David M Porch**  
**DIRECTOR OF PLANNING AND ENVIRONMENT**

For further information please contact Ellen Byers, Team Leader, Development Services  
Tel: 01236 616275.

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