

South Derbyshire Local Strategic Partnership

Board Meeting 19th May 2005

Agenda Item 9 DDEP Expressions of Interest/Business Plan 2005/06

Purpose of Report

To update partners on progress in relation to the 2005/06 Business Plan.

Background

As reported to the January Board meeting DDEP have confirmed grant of £150,000 to the South Derbyshire Local Strategic Partnership (SDLSP) for the 2005/06 financial year.

The grant allocation is made up of £90,000 capital and £60,000 revenue and must be at least 50% match funded with a minimum total project value of £50,000. Projects must contribute to both the LSP's economic development strategy and to DDEP Tier 3 Outputs and complete spend by 31 March 2006.

The original timetable for project submissions was initial proposals by February 28th 2005 and full applications by April 30th 2005. In order to comply with the guidance and meet the prescribed timetable the Board agreed to reconvene the Vibrant Economy Theme Working Group and task them with realising a business plan for 2005/06.

Progress

The group has met regularly and agreed for six projects to be forwarded as Expressions of Interest following a prioritization exercise that assessed various projects potential to deliver economic development outcomes and Tier 3 outputs, attract match funding and fit with the priority issues and actions within the draft community strategy. The projects are listed below:

Project Title	Lead Partner
National Forest Business Grants	National Forest Company (NFC)
Woodville-Swadlincote Regeneration Action Area – Wider Options Study	South Derbyshire District Council (SDDC)
Tourist Information Facility – Phase 2	South Derbyshire District Council
Ideas into Income	South Derbyshire CVS
Access to Work	Derbyshire County Council (DCC)
Business Support Network	South Derbyshire Chamber (SDC)

Expressions of Interest for four of the six projects (National Forest Business Grants, Woodville-Swadlincote Regeneration Study, CVS Ideas into Income and DCC Access to Work) were sent to DDEP according to the DDEP timetable. In a covering letter, and in addition to direct discussion between project partners and DDEP, notice and

explanation was given that two further projects would be submitting expressions of interest outside the prescribed timetable.

In the case of the Tourism Information Facility project phase 2 the delay was caused by further detailed preparation work being undertaken by a consultant. In the case of the Business Support Network project more time was needed to clarify match funding and other issues.

DDEP indicated that the four submitted and two delayed Expressions of Interest are suitable projects for their consideration and suggested they be worked up into full applications. This request was passed on to lead partners.

In line with DDEP's offer and the needs of two of our projects (CVS Ideas into Income and DCC Access to Work) we requested priority early consideration so that subject to a successful appraisal the projects could commence as early as possible.

DDEP were able to accommodate this request and full applications for both projects have been submitted. The Ideas into Income project has passed appraisal and a contract from DDEP is imminent. The Access to Work appraisal should be completed this week (16-20 May).

The National Forest Business Grants project is to be treated as an extended project and subject to a satisfactory statement concerning the relationship between additional grant and projected outputs should also receive formal approval to continue.

At present as far as the other projects are concerned progress has been slower. The Woodville-Swadlincote Regeneration Study has been worked up into a first draft full application that was to have been discussed at the vibrant economy group meeting scheduled for May 12th. However that meeting was cancelled and rescheduled for June 10th so feedback from group members will be received and collated electronically. In it's first draft state the estimated cost of the study is below the DDEP's £50,000 threshold although they have indicated they may be able to treat it as an exceptional case.

The Tourism Facility phase 2 project involves detailed, complex and interdependent negotiations, actions and decisions between a number of partners including SDDC, Sharpes Trust, Landowner and People Express. Consequently, it is taking time to bring all the project elements together and produce a fully worked up submission.

The Business Support Network project is still evolving as the Chamber has discussions with interested local business people and other partners and tries to identify the most effective project. At the same time it needs to identify and secure sources of match funding.

Due to the different timeframes involved with each of the projects DDEP have suggested issuing an individual grant offer letter for each project to the LSP setting out the key points for that one project only. However as the projects come on stream one by one the LSP will be required to monitor them as one overarching action plan.

As reported previously the Vibrant Economy group has proceeded on the basis of supplying DDEP with project information requiring grant above the £150,000 allocation. This was done deliberately in case of project failure, project restructuring or availability of additional funds. Due to the difficulties highlighted above the position remains the same in that whilst three projects look likely to gain formal approval in the near future, the other three projects are not yet worked up enough to establish costs and other parameters. Practically speaking this means that maximizing grant and outcomes will need careful management by the vibrant economy group and lead partners. The current position is summarized at Appendix 1.

To assist with both forward and contingency planning the Vibrant Economy group requested that SDDC work up a bid related to signage and other improvements on SDDC Industrial Sites. However, due to the reasonable condition and small number of SDDC sites the project was not viable. The group therefore requested that SDDC explore through discussions with Groundwork whether projects related to general industrial facelifts or improvements to gateway sites were deliverable. The potential for the projects has been raised at a meeting with Groundwork and they are now being considered alongside other pieces of work for inclusion in an initial Service Level Agreement.

Recommendation

That the Board note progress and approve direction in relation to the 2005/06 Business Plan.

APPENDIX 1

2005/2006 Business Plan: Summary position May 19th 2005

DDEP grant available £150,000

Project Title	Lead Partner	Status	DDEP Grant	Total Project Cost 0506
National Forest Business Grants *	National Forest Company	Formal approval imminent	10,000	20,000
Ideas into Income *	South Derbyshire CVS	Contract awarded	28,000	57,502
Access to Work *	Derbyshire County Council	Appraisal imminent.	20,857	41,715
Woodville-Swadlincote Regeneration Action Area – Wider Options Study	South Derbyshire District Council	First draft of full application circulated to vibrant economy group members for comment.	13,000	26,000
Tourist Information Facility – Phase 2	South Derbyshire District Council	Full application being worked up.	Unknown	Unknown
Business Support Network	South Derbyshire Chamber	Full application being worked up.	Unknown	Unknown
Admin/Preliminary costs	South Derbyshire District Council	Accountable Body requirements awarded in proportion to formal approval of projects.	7,500	7,500
Total (known to date)			79,357	152,717

70,643 DDEP grant remaining

Improvements to Industrial sites	SDDC/Groundwork	Contingency project. Initial negotiation underway.	Unknown	Unknown
Improvements to Gateways	SDDC/Groundwork	Contingency project. Initial negotiation underway.	Unknown	Unknown

* Indicates 2/3year project