

**PERTH AND KINROSS COUNCIL****Enterprise and Infrastructure Committee****5 June 2013****GROWBIZ PROJECT****Report by the Depute Director (Environment)****PURPOSE OF REPORT**

This report outlines the background to the Growbiz project which the Council have supported since 2007. The report outlines how the project has developed since it was established as a pilot project in 2007; its growth through the awarding of LEADER funding; the outcomes achieved, and what activities are planned for 2013/14.

**1. BACKGROUND**

- 1.1 The Council were pivotal in supporting the establishment in Eastern Perthshire of Growbiz (formerly known as the Sirolli project) in June 2007. The project was based on the principles developed by Dr Ernesto Sirolli. In 1985, he pioneered in Esperance, a small rural community in Western Australia, a unique economic development approach based on harnessing the passion, determination, intelligence, and resourcefulness of the local people.
- 1.2 The results of “The Esperance Experience” have prompted more than 250 communities around the world to adopt responsive, person-centered approaches to local economic development similar to Enterprise Facilitation® model pioneered in Esperance.
- 1.3 One of the key strengths of Growbiz is that it is driven by a volunteer board and a 30-strong community-based panel of local people, who are all committed to the regeneration and development of the local economy. It provides community-based enterprise support and connections for individuals who want to start or grow a business. It is based on the Sirolli concept of “enterprise facilitation”. As such, it provides individuals and small organisations/companies with enterprise advice, guidance and local connections. They provide access to one to one meetings with an Enterprise Facilitator; augmented by voluntary mentoring, and peer support group meetings.
- 1.4 Of the three Sirolli projects set up in Scotland, only Growbiz is still fully operational. The Dundee Sirolli project failed to secure further funding, and the South Kintyre project is still struggling to secure funding

## **Outcomes Achieved to Date**

- 1.5 Since the project was established in June 2007, it has supported over 400 clients; assisting 74 business start ups (an average of 15 per annum), and 22 businesses to grow (an average of 4 per annum). In turn, these businesses have created 146 new jobs, and safeguarded 140 jobs over the five and a half year period. In addition to these direct business outcomes, the project has led to increased community and social capital, along with increased confidence, self-esteem and self-belief amongst the individuals supported.
- 1.6 The Council's Business Growth Team has been developing an enhanced partnership arrangement with Growbiz over the last eighteen months. This includes supporting the development of Peer support (via the LEADER funding provided), and utilising Growbiz local connections in jointly providing Collaboration Workshops regularly.

## **Funding Position**

- 1.7 The Council has provided £103,000 of funding to support the establishment and on-going running costs of the project since 2007. It has also assisted the project in attracting external funding, from the LEADER programme and other funders. The project gained charitable status in 2012 which should assist its potential to draw down external sources of funding.
- 1.8 The Growbiz project approached the Council in 2012 seeking further funding to continue its operations, once its LEADER funding came to an end in March 2013. Additional funding of £20,000 was allocated by the Council in setting the 2013/14 Revenue Budget, and a further £20,000 provisionally allocated for 2014/15. Growbiz have confirmed they have also secured funding of £20,000 from the Scottish Government.
- 1.9 Growbiz have also stated they intend applying for a minimum of £15,000 from the Royal Bank of Scotland Inspiring Enterprise Fund in June, with a further £6,000 of funding earmarked for 2013/14 running costs from the organisation's reserves. (It should be noted as of 30 June 2012 the project has stated reserves of £12,611).
- 1.10 It should also be noted that Growbiz have successfully secured specific project funding of £14,600 per annum for two years from the Perth and Kinross Change Fund to undertake a pilot project to support the growth of social care micro provision. The project will increase the awareness of the potential business opportunities which the Self Directed Support and Personalisation Agenda will offer, and to provide one to one, and group/peer support to potential micro providers.

## **2. PLANNED OUTCOMES FOR 2013/14**

- 2.1 The Growbiz project plans to continue both its one to one enterprise coaching service, and its peer support group meetings in both Eastern and Highland Perthshire. The target figure for one to one clients is 75, and to assist a

further 25 businesses through the peer support network. Growbiz is particularly successful in attracting and supporting female entrepreneurs (who formed 72% of its client base in 2012/13), and it plans to further enhance these targeted services in 2013/14.

2.2 Growbiz has also indicated it will re-design its website in 2013 and increase its use of social media solutions to further support its client network.

2.3 Growbiz has also indicated it will explore further project ideas including:-

- Investigation opportunities for young people to “buddy” with local small businesses – receiving mentoring, and work experience.
- Developing a network of community based business mentors
- Develop female focused peer support and special interest groups

2.4 It is important that the Council continue to carefully monitor the activities and the outcomes delivered through the Growbiz project. The Council need to ensure it receive value for money in terms of the funding provided relative to the outcomes generated; and to ensure the activities supported compliment other provision available.

2.5 The Council in return for its continued funding will request quarterly reports to be provided by the Growbiz project; measuring progress against the targets and projects outlined above. Growbiz will also be required to provide details of the clients supported and ensure, where appropriate, they are directed towards other opportunities available via the Business Gateway, the Council and other providers.

### 3. CONCLUSION AND RECOMMENDATIONS

3.1 The report outlines the history of the Growbiz project in Eastern Perthshire and outlines the benefits delivered by it locally, and now through its expansion into parts of Highland Perthshire. This project delivers in an individual-focussed manner, harnessing the knowledge and experience of the local business community to support aspiring and developing businesses.

3.2 The Committee is asked to:-

- (i) Note the activities and outcomes delivered to date by the Growbiz project.
- (ii) Request an annual report from the Project at the end of 2013/14 to asses delivery against outcomes for the 13/14 period.

#### Author

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**Approved**

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<b>Date</b> 8 May 2013		

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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

*The undernoted table should be completed for all reports. Where the answer is 'yes', the relevant section(s) should also be completed*

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan / Single Outcome Agreement	<b>Yes</b>
Corporate Plan	<b>Yes</b>
<b>Resource Implications</b>	
Financial	<b>Yes</b>
Workforce	<b>No</b>
Asset Management (land, property, IST)	<b>No</b>
<b>Assessments</b>	
Equality Impact Assessment	<b>Yes</b>
Strategic Environmental Assessment	<b>Yes</b>
Sustainability (community, economic, environmental)	<b>Yes</b>
Legal and Governance	<b>Yes</b>
Risk	<b>Yes</b>
<b>Consultation</b>	
Internal	<b>Yes</b>
External	<b>Yes?</b>
<b>Communication</b>	
Communications Plan	<b>No</b>

### 1. Strategic Implications

#### Community Plan / Single Outcome Agreement

- 1.1 The Perth and Kinross Community Planning Partnership (CPP) brings together organisations to plan and deliver services for the people of Perth and Kinross. Together the CPP has developed the Perth and Kinross Community Plan which outlines the key things we think are important for Perth and Kinross:-

- (i) Giving every child the best start in life
- (ii) Developing educated, responsible and informed citizens
- (iii) Promoting a prosperous, inclusive and sustainable economy
- (iv) Supporting people to lead independent, healthy and active lives
- (v) Creating a safe and sustainable place for the future

- 1.2 It is considered that the actions contained within this report contribute to objective (ii) to (v).

## Corporate Plan

- 1.3 The Council's Corporate Plan 2013-2018 outlines the same five Objectives as those detailed above in the Community Plan. These objectives provide a clear strategic direction, inform decisions at a corporate and service level and shape resource allocation. It is considered that the actions contained in the report contribute to objective (ii) to (v) as outlined in paragraph 1.1 above.

## **2. Resource Implications**

### Financial

- 2.1 The budget motion for 2013/14 identified a specific allocation for the Growbiz project; £20,000 was allocated to the Growbiz project for the years 2013/14 and provisionally in 2014/15. The funding was allocated to the Enterprise Revenue budget located within the Planning and Regeneration division of The Environment Service.
- 2.2 The Head of Finance has been consulted on the proposals contained within the report, and has indicated agreement with the proposal to allocate further funding to the Growbiz project in 2013/14 and 2014/15.

### Workforce

- 2.3 There are no workforce implications of this report.

### Asset Management (land, property, IT)

- 2.4 There are no land and property, or information technology implications arising from the contents of this report.

## **3. Assessments**

### Equality Impact Assessment

- 3.1 An Equality Impact Assessment needs to be carried out for functions, policies, procedures or strategies in relation to race, gender and disability and other relevant protected characteristics. This supports the Council's legal requirement to comply with the duty to assess and consult on relevant new and existing policies.
- 3.2 The function, policy, procedure or strategy presented in this report was considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:
- i) Assessed as **not relevant** for the purposes of EqIA.

### Strategic Environmental Assessment

- 3.3 Strategic Environmental Assessment (SEA) is a legal requirement under the Environmental Assessment (Scotland) Act 2005 that applies to all qualifying plans, programmes and strategies, including policies (PPS). The proposals have been considered under the Act and no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

### Sustainability

- 3.4 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.
- 3.5 The proposals contained within the report are assessed to have a positive impact on sustainability, particularly with regard to the economic and business growth aspects of sustainable development.

### Legal and Governance

- 3.6 There are no legal implications of the proposals contained within this report.
- 3.7 In terms of appropriate governance arrangements, it is proposed that the Enterprise Manager meets the representatives of the group twice yearly to review progress. The Growbiz project will also provide twice yearly written updates on activities and outcomes, including full details of businesses and individuals supported through the project.
- 3.8 An annual report will be requested from the Growbiz project to assess delivery against agreed outcomes.

### Risk

- 3.9 The main risks in relation to this project relate to its ability to secure additional and on-going funding to maintain its activities in the future. Support has already been offered to support the group to secure external funding or contracts.

## **4. Consultation**

### Internal

- 4.1 The Chief Executive, the Executive Director (Housing and Community Care), and the Executive Director (Education and Children's Services) have been consulted.

## External

- 4.2 The Head of Innovation, Investment and Industries in the Scottish Government's Business Directorate has been consulted on the contents of the report. The Scottish Government have confirmed they have agreed to provide £20,000 per annum towards the Growbiz project in 2013/14 and 2014/15.

## **5. Communication**

- 5.1 A press release will be prepared highlighting the Council's continuing support for the Growbiz project.

## **2. BACKGROUND PAPERS**

The following background papers, as defined by section 50D of the Local Government (Scotland) Act 1973 (and not containing confidential or exempt information) were relied on to a material extent in preparing the above report.

Growbiz Annual Report: July 2011 – June 2012.

## **3. APPENDICES**

There are no appendices to this report.