

Committee:	Executive	Agenda Item No.:	9.
Date:	1 st November 2010	Status	Open
Category	2. Decision within the functions of Executive		
Subject:	Shirebrook Enterprise Centre		
Report by:	Projects Officer (Policy and Research)		
Other Officers Involved	Economic Development and Investment Manager Head of Regeneration		
Director	Director of Development		
Relevant Portfolio Holder	Councillor A. Tomlinson, Portfolio Holder for Regeneration and Access Champion		

RELEVANT CORPORATE AIMS

ENVIRONMENT – Promoting and enhancing a clean and sustainable environment through the provision of building which meets BREEAM ‘Excellent’

REGENERATION – Developing healthy, prosperous and sustainable communities by providing sustainable business growth and employment opportunities

SOCIAL INCLUSION – Promoting fairness, equality and lifelong learning providing the opportunity for inclusion of all individuals in employment and training opportunities

TARGETS

RE1 – number of jobs created

VALUE FOR MONEY

The proposal will result in £4,675,767 being invested in Shirebrook through grant funding streams - £3,778,520 being invested by European Regional Development Funding, alongside a contribution of the Authority’s allocation of Working Neighbourhoods Funding (WNF) of £897,247.

THE REPORT

- 1.1. Over the last 2 years, the Economic Development Team have been working to develop proposals for the construction of a new build enterprise centre, providing much needed workshop and office accommodation.

- 1.2. A feasibility study was commissioned to assess and appraise the need and demand for such a centre in the District, namely Shirebrook. This was further supported by a financial appraisal which set out the operating model for the longer term operation of the Centre, and also the construction costs. Planning permission was also sought in December 2009, and approval was granted on 15 March 2010.
- 1.3. Alongside this preparatory work, funding to support the project has been sought through the European Regional Development Fund (ERDF) Priority Axis 2, managed by East Midlands Development Agency (emda), and the Authority's allocation of Working Neighbourhood Funding totalling £4,675,767.
- 1.4. The funding application was submitted to emda in April, and the appraisal of the application is complete and a decision was made for the approval of the project. Following negotiations on the required contract schedule, a final contract document has been issued to the local authority for signing and commitment to the delivery of the project.
- 1.5. This is a significant capital project for the local authority, delivering a flagship building for the District Council, which shall achieve BREEAM 'Excellent' standard – a high standard of environment sustainability, and a first for the Authority.

ISSUES/OPTIONS FOR CONSIDERATION

Emda's grant offer is subject to signing the contract document, until the contract is signed the offer of funding could be withdrawn. During unprecedented reduction of public funding, it is recommended that Bolsover District Council urgently signs of the contract to order to secure the ERDF PA2 funding for the Enterprise Centre to go ahead.

IMPLICATIONS

Financial: the Authority will secure £3,778,520 of external grant funding in support of this project, as well as contributing £897,247 of its own grant funding. This project is included in the capital programme, however the Authority shall not make any financial contribution from its mainstream capital budget.

With the national and European public funding outlooks continually changing, there is an urgency to sign the contract and commit to the project before there is the possibility of withdrawal of the funding either through the Government or European Union at a risk of jeopardising the project.

Legal: the contract agreement with emda for the receipt of ERDF funding as well as the funding agreement for WNF shall include a number of conditions of contract, which the Authority shall be expected to adhere to throughout the whole project contract periods. The contract for ERDF shall be signed as

soon as the Executive agrees to the recommendations below and the contract document has been checked and recommended for approval by Legal - expected in the week following the Executive meeting.

Heads of Terms for the land purchase are expected to follow in December 2010, and also a contract agreement between the District Council and the appointed Employers Agent is expected in December 2010.

Human Resources: The Project Officer (Policy and Research) will be the lead officer, supported by the Economic Development and Investment Manager.

RECOMMENDATIONS

- 1. That the Council agrees to enter into a funding agreement with East Midlands Development Agency for the receipt of ERDF monies for Shirebrook Enterprise Centre;**
- 2. It be noted that the Chairman of the Council has agreed that the call-in procedure as set out in 4.5.16 of the Council's Constitution shall not apply.**

REASON FOR DECISION TO BE GIVEN IN ACCORDANCE WITH THE CONSTITUTION

To enable financial investment supporting the growth of the local economy and local entrepreneurial culture to maximise sustainable employment opportunities.

ATTACHMENTS: **N**
FILE REFERENCE:
SOURCE DOCUMENT: