

<b>Title of Report: NIBSUP Update</b>	<b>Officer Presenting: Head of Business</b> <b>Author: Business Development Manager</b>
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## 1 Purpose of Report/Recommendations

- 1.1 Provide members with a progress update (up to August 2020) on the Northern Ireland Business Start Up Programme (NIBSUP) with specific reference to programme versus statutory and corporate jobs targets.

## 2 Background

- 2.1 NIBSUP is a collaboration across the 11 councils of NI valued at £6,173,904 running to 31<sup>st</sup> March 2021. The programme is funded by Invest NI/ ERDF and is branded as Go For It.
- 2.2 Enterprise NI has been appointed as overall delivery agent for the NIBSUP with support for the DCSDC area contracted out to Enterprise NW (ENW) and Strabane Enterprise Agency (SEA).

## 3 Key Issues

- 3.1 From project inception there has been a disparity between programme targets and statutory requirements, with programme targets being historically lower than what is required to meet statutory obligations. In addition to Derry and Strabane, historically three other council areas are impacted by this situation also: Belfast, Mid-Ulster, Fermanagh and Omagh.
- 3.2 Programme performance for DCSDC over the past four years (up to August 2020) is detailed below:

	<b>Prog.Target</b>	<b>Prog.</b>	<b>Statutory/</b>	<b>Shortfall</b>	<b>Achieved</b>	<b>Achieved-</b>
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	<b>Business Plans</b>	<b>Target - Jobs</b>	<b>Corporate Target - Jobs</b>	<b>Business Plans</b>	<b>- Business Plans</b>	<b>Jobs</b>
2017/18	155	103	140	60	213	139
2018/19	208	126	140	21	226	139
2019/20	209	128	140	20	217	133
2020/2021	146	90	140	81 (This is based on project targets being met, if they are not this figure will increase)	36 (up to August 2020)	22 (Up to August 2020)

- 3.2 A copy of council's dashboard for April 2020 to August 2020 is attached as Appendix 1 to this report.
- 3.3 There are a number of issues in relation to performance of the NIBSUP in the DCSDC area.
- 3.4 Pre transferring functions the Regional Start Programme (RSI) had a number of schemes/ financial incentives to support individuals participating in the programme, these schemes enhanced programme delivery and impacted positively in terms of driving the number of business plans produced and jobs created through the Programme.
- From September 2011 to March 2015 grants for NEETS (£1,500) and NRA (£1,000) were available. These grants were introduced as a measure during the recession to provide access to finance for people in these categories who ordinarily struggle to get support.
  - In addition, two further schemes - Steps to Work and Enterprise Allowance Scheme were also available. All programmes ended prior to council taking over responsibility for the NIBSUP. The removal of these programmes has had a negative impact in terms of demand for the NIBSUP in the DCSDC area.

- 3.5 Both enterprise agencies point to the issues detailed above as impacting on programme performance over the past four years, Strabane Enterprise Agency has also indicated a significant decline in the number of enquiries that it has received in 2019/2020.
- 3.6 In addition, both agencies state that NIBSUP delivery has been severely impacted by Covid-19 and was particularly problematic during the lockdown at the end of March. The agencies have highlighted that it is taking longer for people to progress through NIBSUP as there is still a lot of uncertainty in the market place, they have also stated that a high number of clients have sought to pause programme delivery until normality has resumed.
- 3.7 Enquiries have started to pick up from June onwards with both agencies stating they are getting back to near pre pandemic levels of activity with hopes of increased outputs being delivered over the next few months.
- 3.8 Councils Head of Business and Business Development Manager will be meeting both Enterprise Agencies in mid-October to discuss a strategy for tackling conversion rates and increasing demand for business plans.

#### **4 Financial, Equality, Legal, HR, Improvement, Rural Needs and other Implications**

- 4.1 The total costs for the NIBSUP are detailed in the table below:

Total Eligible Costs	ERDF + INI Funding (80%)	Council Match Funding (20%)	Non Eligible Costs to Council	Total NIBSUP	Cost to Council
£350,468	£280,375	£70,094	£117,812	£468,280	£187,906

#### **5 Recommendations**

- 5.1 That members note the content of this report