

THE HIGHLAND COUNCIL

PLANNING, ENVIRONMENT AND DEVELOPMENT COMMITTEE

21 JANUARY 2009

Agenda Item	10
Report No	PED 6/09

**BUSINESS GATEWAY**

**Report by Director of Planning and Development**

**SUMMARY**

This report seeks to update Members on developments with the introduction of the Business Gateway service to Highland in 2009.

The introduction of this service is directly supportive of the Council's Administration Programme commitment to *"work with the Scottish Government, the business community, HIE and the third sector to promote business growth including more local businesses and social enterprises through the establishment of Business Gateway by 2008 and other Council support"*.

**1. Update**

1.1 In November 2008 Committee agreed a process of delegated authority to enable the Council to move quickly in negotiations and to take decisions that allow arrangements to be put in place for the Business Gateway service to be established and operational by 1<sup>st</sup> April 2009. In addition, Committee requested that progress reports be presented to the January 2009 and March 2009 Planning, Environment and Development Committees.

1.2 To date no delegated authority decisions have needed to be taken. Work is however, underway and progressing at the national level, at the Highlands and Islands regional level and locally with Highland Opportunity Ltd. to agree the core national Business Gateway services to be provided as per the Memorandum of Understanding, the budget transfer and the contract with Highland Opportunity Ltd.

**1.3 National Services**

A decision is required as to which organisation will deliver the national Business Gateway services after 1<sup>st</sup> April 2009. Allied to this there is a need for the national services to be extended to include the Highlands and Islands. Following a workshop in December 2009 facilitated by The Improvement Service, recommendations on the way forward will be discussed at CoSLA Leaders on 30 January 2009. The outcome here and those following parallel discussions at Scottish Enterprise, will largely determine whether new arrangements for the national services will be in place for 1<sup>st</sup> April 2009.

1.4 The Chief Executive, in his capacity as Chair of the Highlands and Islands Business Gateway Liaison Group, has written to the Scottish Government seeking

an assurance that the core national Business Gateway services, together with access to the accompanying CRM system, will be provided for the Highlands and Islands on 1<sup>st</sup> April 2009. A verbal update on any response received will be given to Committee.

1.5 Allied to this and to help define the core service required, the Highlands and Islands Business Gateway Liaison Group, has formally written to CoSLA in response to the Scottish Government's draft Core Service and National Standards. As this Core Service and National Standards will apply across all of Scotland, it is anticipated that it will be discussed at CoSLA Leaders on 30 January 2009.

1.6 **Budget Transfer**

All of the above work will inform the cost of the Business Gateway service and hence will be used in negotiations over the budget transfer from HIE and whether additional funding is required from the Scottish Government for both the one-off establishment costs and recurring revenue costs for the central Business Gateway services. In liaison with colleagues in the Council's Finance Service, a discussion paper is currently being worked upon to help inform how the final budget transfer sum will be divided across the Highlands and Islands local authorities. It is anticipated that the next Highlands and Islands Conveners meeting on 29 January 2009 will discuss and propose a formula for the division of the final budget transfer sum.

1.7 **Highland Opportunity Ltd.**

A draft contract specification has been prepared and issued to Highland Opportunity Ltd. In negotiating and finalising the contract with Highland Opportunity Ltd. the Council will follow its normal procurement procedures and require Highland Opportunity Ltd. to submit a tender for the services defined. The tender response will then form the basis of negotiation before a contract is entered into.

1.8 **Shared Services with Moray Council**

Following interest by Moray Council in investigating a shared delivery of the Business Gateway service, the Council has formally written to Moray Council setting out how it proposes to manage and deliver the Business Gateway service. An early meeting is currently being planned with senior members and officials at Moray Council to progress.

**2 Resource Implications**

2.1 The Council's position is that the transfer of the Business Gateway function is to be at nil net cost to the Council.

### **3. RECOMMENDATION**

3.1 The Committee is recommended to:

- (i) Note current developments at the national, regional and local level regarding preparations for the introduction of the Business Gateway service to Highland.

Signature:

Designation: Director of Planning and Development

Date: 06 January 2009

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