



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

**IMPROVEMENT AND SCRUTINY COMMITTEE – CLIMATE CHANGE,
BIODIVERSITY AND CARBON REDUCTION**

MONDAY, 25 JULY 2022

Report of the

Green Entrepreneur Scheme

1. Purpose

- 1.1 This report provides Committee with an overview of the Council's Green Entrepreneurs Programme and an update on progress to date. The report will be accompanied by a more detailed presentation at the Committee meeting.

2. Information and Analysis

- 2.1 The Green Entrepreneur's Fund (GEF) was launched in March 2021 by Derbyshire County Council and has been supported by the University of Derby as a key delivery partner.
- 2.2 On 11 February 2021, Cabinet approved an allocation of £2m to implement the GEF (Minute No. 27/21 refers) which will help businesses and communities fund innovation and support 'green recovery' on the back of COVID. The allocation also includes the cost of support being provided by the University of Derby to help deliver the programme through a service level agreement (SLA).
- 2.3 The GEF is due to run for the period 1 April 2021 to 31 March 2024 and is made up revenue and capital funding, designed to encourage business/ technological solutions to reducing CO2 and tackling climate change that 'go beyond the mainstream of current thinking'.

2.4 The core proposal of the GEF is a grant scheme made up of three different strands that will support businesses, communities and individuals to develop local energy sources and/or low carbon initiatives alongside opportunities to help re-skill the local workforce and address gaps in the green economy. The three strands are:

- **Demonstrator projects** - £1.2 million to support a small number of high quality projects e.g. green, alternative energy, clean fuel etc. Up to £200,000 available per project supported by a grant intervention rate up to 40%
- **Small grants** - £500,000 available for grants between £10,000 - £20,000 with an intervention rate up to 40% (based on a minimum project spend of £25,000). Funding can support projects where the organisation is on a net-zero pathway
- **Skills and re-training** - £100,000 available to support individuals (aged 19+) to gain skills required within the green economy (not supported by other funding streams). A maximum of £1,500 is available per person.

2.5 Eligibility for funding is based around the following criteria:

- Be a small and medium sized enterprise (SME), sole trader, partnership, charity with a minimum of 50% income from trade, or a formally constituted social enterprise or community partnership.
- Demonstrate a sound investment plan that will lead to a measurable reduction in carbon emissions, energy efficiency and/or alternative energy initiatives, within the project timescale.
- Demonstrator and small grants to save on average 500kg of carbon per £1,000 grant investment.
- Be located in Derbyshire for the benefit of Derbyshire communities – excluding Derby City Council boundaries.
- The project must not have commenced and can confirm it is not deliverable in the stated timescales proposed without grant support.
- Is able to set out indicative spend and clear outputs and outcomes for the funding – that align to the core objectives of the GEF programme.

2.6 A presentation will be provided to Scrutiny Committee at its meeting, setting out the grant criteria in more detail and also the key outputs and achievements to date, noting the contributions being made to help tackle climate change.

3. Consultation

- 3.1 Public consultation was not required in the preparation of the Green Entrepreneurs Fund but the proposed was developed in direct response to feedback from local businesses and communities suffering the impacts of COVID.

4. Alternative Options Considered

- 4.1 Not set up the GEF: to not develop some form of economic response/ support package to the impacts of COVID was not considered an option. The strong feedback from communities and businesses was a clear desire to build back better, embracing green initiatives and that financial assistance was required to help get the economy back on its feet.
- 4.2 Alternative grant proposals could have been developed and were considered but the GEF proposals were shared with Economy and Business Recovery Cell and considered to be the most appropriate.

5. Implications

- 5.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

6. Background Papers

- 6.1 Cabinet Report 11 February 2021 – approval to create the £2m Green Entrepreneurs Fund

7. Appendices

- 7.1 Appendix 1 – Implications.

8. Recommendations

That the Committee:

- a) Notes the Green Entrepreneurs Fund arrangements and the progress that has been made to date.
- b) Advises officers of additional information requests and observations of the GEF programme.

9. Reason for Recommendation

- 9.1 To support the scrutiny process and ensure Committee members have the appropriate information to understand progress made in tackling climate change.

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Implications

Financial

- 1.1 None directly associated with this report. A total of £2m has been allocated to the GEF programme from the Council's COVID Emergency Recovery Fund and is being managed by the Economy and Regeneration Service. An allocation of £180,000 has been set aside from the £2m grant to cover the costs of managing delivery of the scheme, including external, expert assessment of technical proposals.

Legal

- 2.1 None directly associated with this report. The expert input of Derby university in providing technical assessment of products and proposals is covered by a signed service level agreement that sets out key deliverables and performance targets.

Human Resources

- 3.1 None directly associated with this report.

Information Technology

4. None directly associated with this report.

Equalities Impact

- 5.1 Not applicable directly associated with this report.

Corporate objectives and priorities for change

- 6.1 The work of the Green Entrepreneurs Programme is a key priority of the Council's Place Directorate and will help deliver the following Corporate Plan priority of: 'A Prosperous and Green Derbyshire'.

Other (for example, Health and Safety, Environmental, Sustainability, Property and Asset Management, Risk Management and Safeguarding)

- 7.1 Driving environmental sustainability is at the core of the GEF scheme and a key criteria for grant funding.