

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Cabinet Member and Advisers for Regeneration and Development
2.	Date:	Tuesday 25 February 2014
3.	Title:	Get Up to Speed with Engineering Event (GUTS – ERDF SYSGEP Programme)
4.	Directorate:	Environment and Development Services

5. Summary

The purpose of this report is to seek Member approval for suspension of standing orders with regards to procurement for event related costs. This is to allow RiDO to provide a marquee, workshops, networking opportunities and support to SME companies at the GUTS event.

6. Recommendations

It is recommended that:

- **Cabinet Member approves the exemption from the provisions of standing orders (requirement to invite at least 3 quotations) as detailed in this report.**

7. Proposals and Details

GUTS is a free event for young people and other stakeholders to engage with businesses and learn about the world of work in engineering and manufacturing. The event has been run for the past three years with great success and over 1400 people attended last years event.

RiDO as a partner in the event wish to provide opportunities for local SME businesses to engage with their future workforce and local and international businesses at the two day event. This would be by way of a 'bolt-on' marquee, providing space for stands, networking and interactive themed workshops. By 'bolting-on' to an existing event, there are numerous benefits to SME's that otherwise would not be able to be achieved at a stand-alone event on a smaller scale.

No other event or venue of this kind exists in the area and it has been chosen based on the credentials and extra value that an existing event of this kind already demonstrates. However, using the existing event, venue etc. incurs the use of the venues preferred suppliers and therefore restricts the ability to follow standing order procedures for three competitive quotes.

The project is being supported by RiDO ERDF SYSGEP funding; 65% of this being externally funded with pre-identified match funding making up the remainder. The funding has already been set aside in the SYSGEP 'other revenue' budget for this kind of expenditure. The value of the event is £19,848 payable in two payments of 50% each, one due immediately and one due 9th April 2014. The cost is based on a detailed specification provided by RiDO and is believed to be good value for money.

It is therefore recommended that the expenditure for providing additional venue space for SME businesses at the GUTS event be exempt from the provisions of standing orders (requirement to invite at least 3 quotations) and the expenditure be allowed to proceed with immediate effect.

8. Finance

The value of the proposal is £19,848 in two payments of 50% as outlined above and is from existing funding already identified via RiDO's SYSGEP Programme.

9. Risks and Uncertainties

Failure to undertake the project will result in additional benefits for local SME companies being lost. A limited time will remain in order to deliver outputs by means of the 'other revenue' budget within the programme, meaning a potential claw back of ERDF funding. This may adversely affect ERDF's view of our ability to deliver services on their behalf and therefore future ERDF funds.

This kind of expenditure within ERDF programmes however does carry an element of risk for the council and there is no set criteria within the UK ERDF programme to gauge correct expenditure on this type of event. Therefore, there is a minimal chance that the 65% ERDF contribution could be clawed-back at a future audit. However, every possible mitigation measure is being put in place to minimise this and Tim O'Connell, Business Development Manager at RiDO has agreed that the level of risk is acceptable.

10. Policy and Performance Agenda Implications

Policy and performance issues are discussed elsewhere.

11. Background Papers and Consultation

Consultation has taken place with colleagues at Sheffield CC who administer the SYSGEP programme and DCLG, who manage ERDF funding in the UK and all have confirmed agreement with the proposals.

Contact Names: Andrew Klinkenberg, Sector Growth Manager, RiDO, EDS
Tel. ext. 54568, Andrew.klinkenberg@rotherham.gov.uk