



Department for  
Communities and  
Local Government

## East Midlands Competitiveness Programme 2007-13

### Oadby and Wigston

There are currently no live calls for projects for the Oadby and Wigston Priority 2 Local Investment Plan. Any future calls will be published here.

For more information please contact Judith Sturley at Oadby and Wigston Borough Council by telephone on 0116 257 2644 or 07747 455767, or by email at [judith.sturley@oadby-wigston.gov.uk](mailto:judith.sturley@oadby-wigston.gov.uk)

For more general information contact the ERDF Programme Delivery Team: East Midlands on 0303 444 6427 or email [em.erdfenquiries@communities.gsi.gov.uk](mailto:em.erdfenquiries@communities.gsi.gov.uk)



**east midlands**  
**competitiveness programme**  
european regional development fund



**East Midlands Competitiveness Programme**  
**ERDF Priority Axis 2 (PA2)**  
**Sustainable Economic and Enterprise Activity in**  
**Disadvantaged Communities**

**Oadby and Wigston Partnership**  
**Local Investment Plan**



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## **Introduction**

This document sets out how, over the next few years, the Borough of Oadby and Wigston and its partners will target £2.418 million European Regional Development Fund (ERDF) monies secured under the East Midlands region's European Structural Fund Programme 2007 – 2013.

The Borough of Oadby and Wigston was not included in the initial programme and has only received an allocation of funding as a result of there being a requirement that the East Midlands ERDF programme was reviewed at its 'half way' stage. This assessment was completed in summer 2010 using similar economic criteria as used to define the initial focus of the programme. It recommended retaining the spatial focus of PA2, targeting it on the most disadvantaged Local Authority areas. Crucially, it recommended one significant change, in that the Borough of Oadby and Wigston was to be included within the special focus, at the expense of Boston, which was part of the approved Lincolnshire programme.

The Borough of Oadby and Wigston, in preparing this Local Investment Programme (LIP), is conscious of the special pressures which exist when putting together a range of activities at the 'half way' stage of the overall programme. The Borough will, where appropriate, seek to work closely with a number of partners, including Leicestershire County Council, Leicester City Council and Prospect Leicestershire, to pull together a coherent package of measures to support sustainable economic development in key parts of the Borough. However, given the timescales, the measures, whilst carefully targeted, will privilege activity which has the greatest chance of delivering the outputs. The Borough and its partners will seek to learn from good practice within the existing regional programme and to ensure that the project assessment process gives due weight to an ability to maximise impact and to commence delivery at the earliest opportunity.

The LIP builds on and is guided by a number of strategies and reviews. These include; the Borough of Oadby and Wigston approved Core Strategy; the Borough's Sustainable Community Strategy; and, the Borough's Economic Development Strategy. It also draws on the Regional Economic Strategy and the Leicester and Leicestershire Economic Assessment which is currently undergoing a refresh.

In preparing measures focusing on economic development, the Borough is also able to reference the conclusions of two recent studies commissioned by the Borough: A Business Needs Study and a Review of Employment Land.

Finally, the LIP will be guided by the Lisbon Strategy for Growth and Jobs which requires that a minimum of 77% ERDF funds are committed to achieving 'Lisbon' objectives within the East Midlands Structural Fund Programme 2007 – 2013.

All the above, to varying degrees, highlight the need to tackle a number of critical issues, including:

- low educational attainment and low skill levels in the labour market;
- pockets of chronic unemployment and worklessness;

- low levels of entrepreneurship and unacceptable levels of business failure;
- low wages;
- an inability to retain skills within the local labour market; and,
- consequent low productivity and low growth in knowledge – based activities.

It should be noted that not all of these critical issues are eligible for ERDF support.

## **The Partnership**

To support the submission of the Borough's LIP in Oadby, Wigston and South Wigston a number of steps have been taken to ensure that the appropriate local partners have been informed of the preparation of the LIP and are involved actively during the preparation of a project portfolio.

With the European Union Lisbon Jobs and Growth agenda being the key driver for the ERDF funding, it is vital that the programme development and implementation is lead by a group with a lead on economic development. It is considered that this Group would benefit by including representatives from:

- Oadby and Wigston Borough Council
- Leicestershire County Council
- Leicester City Council
- Leicester and Leicestershire Support Unit
- Leicestershire Chamber of Commerce
- Leicester Shire Promotions
- Homes and Communities Agency
- Educational partners
  - University of Leicester
  - DeMontfort University
  - South Leicestershire College
  - Guthlaxton College
  - Beauchamp College
  - Leicester College
- Job Centre Plus
- Connexions
- Skills Funding Agency
- National Apprenticeship Agency
- Prospect Leicestershire
- EMB Ltd
- NBV Ltd (Nottinghamshire Business Venture)
- Federation of Small Businesses
- UnionLearn
- Leicestershire Constabulary
- Town Centre Traders and Business Representatives

The Leicester and Leicestershire Local Enterprise Partnership (LLEP) is in the process of formation. As the new body to the fore in promoting the delivery of economic development and regeneration in the sub-region, it is anticipated that it will have a role in supporting the Borough Council in the delivery of the Local Investment Plan.

## Background

Oadby and Wigston is a relatively small Borough, immediately adjacent to and south of Leicester City. It had a mid year estimated population, in 2009, of 58,500, of which, 30,000 were estimated to be economically active and 28,300 were in employment. Whilst the Borough is perceived as a relatively affluent area, the overall statistics conceal pockets of economic deprivation, concentrated in South Wigston, Wigston and Oadby.

This LIP is solely concerned with the administrative area of the Borough of Oadby and Wigston and the provision of support under Priority Axis 2 (PA2) because of relatively high levels of deprivation in a number of identified Super Output Areas (SOA's).

The East Midlands Operational Programme (EMOP) states that the overall aim of PA2 is to:

*'promote sustainable economic growth by increasing the level of enterprise, creating new jobs and moving towards a knowledge-based economy. Resources will be directed at the most disadvantaged communities in order to support and develop a range of bespoke economic and enterprise activities to meet the specific needs of localities and target communities'.*

In developing the measures associated with this LIP, the Borough and its partners will need to demonstrate clear market failure and ensure that they support the broad economic strategy for the Borough and for the sub-region. They also need to address one or other of the four themes under Priority Axis 2 in the East Midlands Operational Programme (EMOP).

The Local Investment Plan will seek sub-ward level geographical targeting in order to address the particular needs of individuals within those areas. In order to ensure robust progression routes, the individual ERDF measures will be complemented by additional active business support activities, which, whilst not entirely focused on the key areas, will aim to increase employment opportunities and reinforce business survival rates for disadvantaged people residing in those areas.

The areas for geographical targeting by the ERDF programme have been identified using the Indices of Deprivation produced by the Office of National Statistics. (see map below). Although ERDF supported activity will be focused in these priority areas of the Borough, projects operating outside of the targeted area can be supported if they can demonstrate that a significant proportion the beneficiaries are from the targeted area.

Oadby and Wigston is already seen by many of its residents and businesses as a great place to live, do business and to visit. A Business Needs Survey conducted in 2010 found that a majority of local firms are long established and have a very stable, loyal workforce. The Borough also has a relatively well-qualified, skilled resident workforce, however, it suffers from a number of headline challenges, all of which this Local Investment Plan hope to address.

By and large, the resident population is not entrepreneurial and there is, as a result, a relatively low level of business start up, especially in the key 'target areas' and within certain disadvantaged groups.

Whilst the existing business sector is broadly stable, it comprises, generally, a range of low value, low skill activities. This means that the labour market segments into two: those who are relatively skilled and mobile, who commute out of the Borough and those who remain, who are relatively low skilled in stable but low waged, low value added activity.

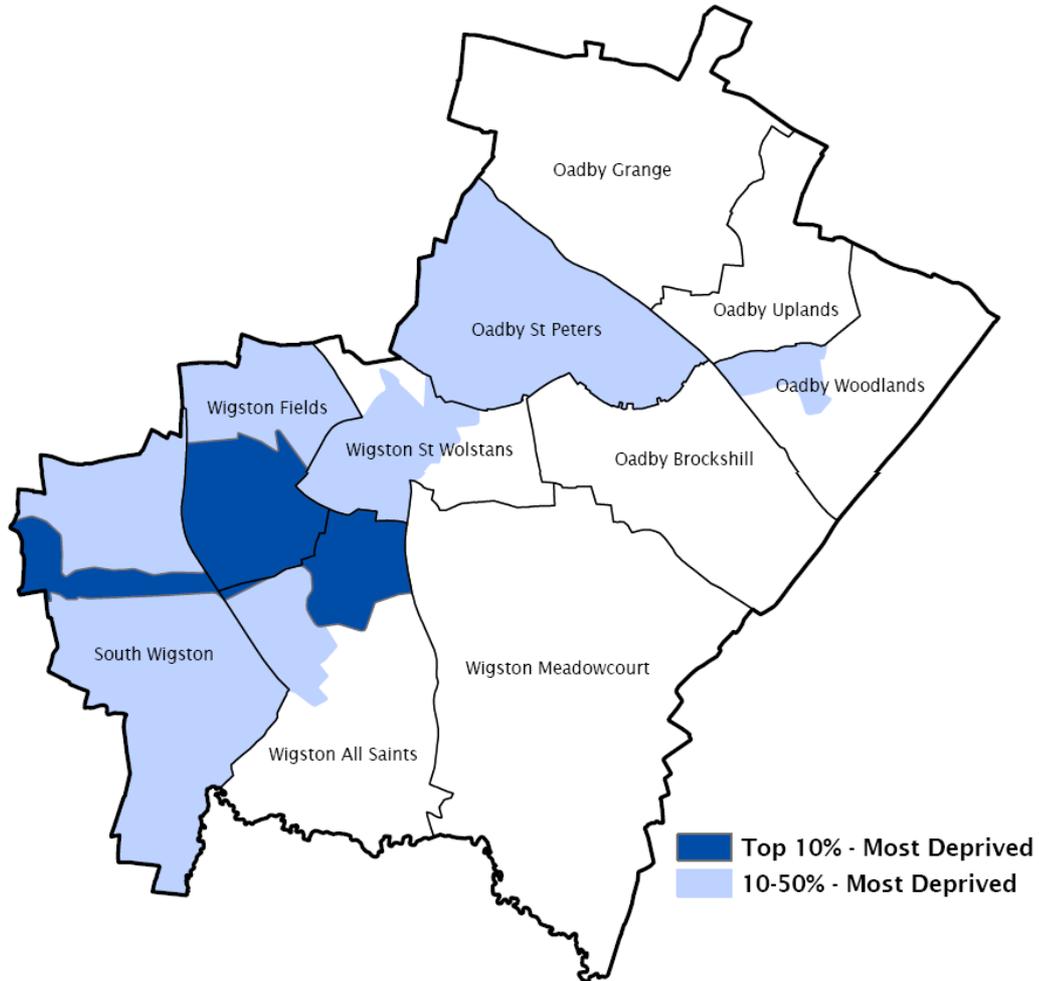
The Local Investment Plan, echoing the Economic Development Strategy, will need to achieve a relatively difficult balance. It is vital, for the wider competitiveness of the Borough's economy that the quality and value-added of local businesses increase and that more knowledge-based businesses are attracted into the Borough.

Given the relatively high levels of Incapacity Benefit claimed within the Borough, the LIP and the Economic Development Strategy also need to increase the overall number of jobs within the Borough, if it is to make a significant impact upon long term worklessness.

The Borough, its town centres and employment estates have not been competitive with Leicester, the 'out of town' centres or more typically with towns of a similar size in the rest of Leicestershire, so the plan must also seek to improve the public spaces and access – to improve the Borough 'offer'.

The Borough does not have a high profile within the UK or even within the immediate area of south Leicestershire despite the quality of life, good housing and ready access to open country. More must be done to foster pride in the Borough and an awareness of all that it has to offer. The Employment Sites Study, recently undertaken by Roger Tym, is beginning a process of identifying opportunities for improving the employment land and premises 'offer' and of more actively marketing the Borough for inward investment. This LIP can significantly aid this process.

# East Midlands Competitiveness Programme ERDF Priority Axis 2 The Borough of Oadby and Wigston



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## Supporting Statistical Information for Targeting of ERDF

The following are a selection of key metrics, which reflect the key issues that will be addressed by this LIP.

There are 22,511 (DCLG 2009) households in the Borough, with an average household size of 2.6. 18.2% of the population (10,165 persons) are of Black and Minority Ethnic origin. The largest BME groups are Indian and Other White

Oadby and Wigston Community Profile 2005

Produced by Research & Information Team Leicestershire County Council

### Most deprived areas in Oadby and Wigston

The Index of Multiple Deprivation considers all aspects of deprivation which affect the local community. Overall, the majority of the 36 Super Output Areas (SOAs) in Oadby and Wigston are ranked within the 50 per cent least deprived in England (ranked 16,241 to 32,482). However, there exist a number of areas which are ranked in the top 40 deprived SOA's in Leicestershire.

The five most deprived SOAs in Oadby and Wigston are listed below, along with the ward in which they are located.

SOA	Ward	Score	County Rank	National Rank
E0102 <b>5992</b>	Wigston All Saints	25.00	18	10603
E0102 <b>5994</b>	Wigston Fields	23.83	21	11207
E0102 <b>5987</b>	South Wigston	23.61	24	11345
E0102 <b>5997</b>	Wigston Fields	23.34	27	11517
E0102 <b>5988</b>	South Wigston	21.36	36	12837

### Most deprived SOAs

*National Rank: 1=most deprived, 32,482=least deprived*

The table above shows that the most deprived areas in the Borough are in located parts of Wigston All Saints and Wigston Fields wards. The top five SOAs are ranked within the 40% most deprived in England, and are within the top 40 in Leicestershire.

Oadby and Wigston Community Profile 2005

Produced by Research & Information Team Leicestershire County Council

## Labour Market Conditions

The strongest indicator for Oadby and Wigston is workforce (score of 100.4). This is the only indicator where the Borough scores higher than the national benchmark (100) although it should be noted that a significant proportion of the higher skilled residents commute out of the Borough. The Borough is weak in economic scale, where it scores 29.9. The Borough also ranks relatively poorly on sector structure and enterprise.

Oadby & Wigston			Leicestershire	
	Score	National Rank	Score	Rank
Economic scale	29.9	389	51.2 --	
Dynamism	92.7	389	97.0 --	
Sector structure	44.0	382	61.5 --	
Enterprise	88.8	319	101.7 --	
Workforce	100.4	232	111.2 --	

*Leicester Shire Economic Baseline Study, 2004*

## Household income

The average annual household income in Oadby and Wigston is £30,275. This is the lowest of all the Districts in Leicestershire and is below the county average of £32,760. It is above the regional average of £29,259. The average household income in the Borough has increased by over £1,000 since 2004. There is a very large variation between the wards within Oadby and Wigston. The ward with the highest average household income is Oadby Grange ward (£41,611). The wards with the lowest average household income are South Wigston (£25,000), Wigston Fields (£25,240) and Oadby St Peters wards (£25,863).

## Entrepreneurship

### VAT Registered Businesses

<b>South Wigston</b>	205
<b>Wigston Fields</b>	145
<b>Wigston All Saints</b>	120
<b>Wigston St Wolstan's</b>	140
<b>Wigston Meadowcourt</b>	90
<b>Oadby St Peter's</b>	255
<b>Oadby Brocks Hill</b>	40
<b>Oadby Grange</b>	130
<b>Oadby Uplands</b>	55
<b>Oadby Woodlands</b>	55

NOMIS 2004

## Self-employment and Micro-firm Density

	% Self-employed	Micro-firm Density
<b>Oadby and Wigston</b>	12	4

\*No. VAT and PAYE registered businesses (<10 employees) as a proportion of working – age population.

\*\*England figure.

Source: Annual Population Survey, 2007; 2008; IDBR, 2008

## Percentage of Small Businesses Showing Employment Growth

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
<b>Great Britain</b>	10.8	10.3	11.6	14.7	14.4	14.4
<b>East Midlands</b>	11.5	10.6	12.0	14.8	14.5	14.5
<b>Leicester UA</b>	12.4	12.4	13.1	17.0	14.7	14.3
<b>Leicestershire County</b>	10.7	10.3	11.2	14.2	14.3	14.4
<b>Oadby and Wigston</b>	10.6	10.4	10.6	13.6	14.3	12.3

Source: DBERR, via BIS website, January 2010

## Business Registration Rates (2002 to 2008)

	2002	2003	2004	2005	2006	2007	2008
<b>East Midlands</b>	48.4	52.5	54.3	54.6	50.0	51.9	46.7
<b>Leicester City</b>	54.3	52.8	53.5	54.7	48.5	49.7	53.4
<b>Oadby &amp; Wigston</b>	43.4	38.7	48.5	44.0	43.5	39.8	42.5

Source: DBERR via BIS website, January 2010

## Supporting Spatial Information for Targeting of ERDF

The Oadby and Wigston Core Strategy was adopted in September 2011. It sets out the vision, spatial objectives and planning strategy for the Borough up to 2026 and provides the policies that will steer built development, economic growth and regeneration.

It identified the following issues and challenges facing Oadby and Wigston:

## **The Centres of Wigston, Oadby and South Wigston**

- Differing role and scale of each centre
- Proximity to Leicester City and Fosse Shopping Park which provide a wide range of retail opportunities and services close to the Borough
- Residents perception of what each centre offers in comparison to Leicester City Centre
- Regeneration of the centres to improve their vitality, viability and spatial setting, the range of retail opportunities and services available and to increase footfall

## **The Economy**

- A relatively low unemployment rate
- A weak knowledge economy but a growing local business culture
- The Borough's economy is influenced by the presence of Leicester City
- Identified employment areas are less attractive to businesses which is leading to pressure from other uses and a reduction in the amount of employment land
- There is a need to retain employment land in the Borough to meet local need from existing businesses wishing to expand and for smaller business units to support start-up businesses

Given these issues and challenges, the Vision set within the Core Strategy seeks that:

***Vibrant town centres.....***

In 2026, Wigston and Oadby town centres are the heart of the Borough offering a range of quality shopping, employment, civic and leisure opportunities. The district centre of South Wigston contains a similar range of services, albeit on a smaller scale, and there is a strong network of local centres, all contributing to the overall sustainable mix of facilities throughout the Borough, reducing the need for local people to travel.

Local residents are proud of the centres of Wigston, Oadby and South Wigston. They are clean and have a high standard of public realm and vernacular architecture. The network of public squares and open spaces are always busy. Each centre has its own special character with direct links to the green infrastructure network throughout the Borough.

***A prosperous economy.....***

In 2026, new employment opportunities exist in Wigston and Oadby town centres, particularly in office accommodation. There are some new employment units in the urban areas of South Wigston and Wigston, in particular offering accommodation for small businesses with good public transport links across the Borough and reasonable access to the main highway network. This is allowing businesses on some of the older, poor quality industrial estates to relocate.

The provision of a range of housing and educational opportunities throughout the Borough has provided employers with a skilled workforce and has been particularly successful in retaining the skills of local people in the Borough. Fast, frequent and affordable public transport between the Borough and Leicester City Centre ensures that local residents enjoy the benefits of living so close to one of the United Kingdom's major cities.

In order to achieve the Vision the Core Strategy sets out a number of objectives but through this funding we'll be focusing on:

**Spatial Objective 5: Improved Employment Opportunities**

Existing employment areas will be protected for employment uses to ensure local employment opportunities for the Borough's residents. New employment land will be provided in the Town Centres, in South Wigston and in the Direction for Growth at Wigston to provide opportunities for fresh employment areas and accommodation to meet the needs of local businesses wishing to grow and those wishing to establish new businesses in the Borough. There will be better access to the road network. The new employment areas will provide opportunities to consider relaxing the need to protect the existing employment areas for employment uses beyond 2026 and to investigate their use for alternative types of development more appropriate to the local area.

## Summary – Oadby and Wigston Economy

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>□ Diverse economic structure that is not overly dependent on any one sector, some local strengths in food and drink, transport and communications, retail</li> <li>□ Growing service sector employment</li> <li>□ Close to two world-class universities with a clear strategy to support innovation and business growth</li> <li>□ Strong FE sector at South Leicestershire College</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>□ Potential over-reliance on public sector employment</li> <li>□ Much of the recent business start-up growth has been in vulnerable sectors – such as lifestyle</li> <li>□ 3-year survival rates are low compared to other major cities and to regional and national figures.</li> <li>□ Relatively low self-employment levels</li> <li>□ Borough does not have a strong identity which can make it difficult to attract new investment</li> <li>□ Knowledge-based service sector employment still relatively low</li> <li>□ Long-term impact of the recession is difficult to predict</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>□ Leicester and Leicestershire Local Enterprise Partnership (LLEP) role in championing economic and enterprise activity</li> <li>□ Diverse economy serving predominantly stable local market can weather recession</li> <li>□ Local specialisms in terms of food and drink manufacturing including local brands, ethnic minority foods, snack food manufacturing</li> <li>□ Public sector procurement and initiatives</li> <li>□ Development of local supply chains</li> <li>□ Business confidence is improving so businesses are more likely to invest</li> <li>□ Tap into sub-region's image and identity to attract more business and leisure tourism</li> <li>□ Nascent third sector</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>□ Low skill economy always likely to be vulnerable</li> <li>□ Many recent start-ups are in vulnerable sectors which could impact on business survival rates</li> <li>□ Risk that businesses are not able to respond to market changes especially in knowledge sectors</li> <li>□ Some businesses may become “leaner” and employ less people in future</li> <li>□ Low consumer confidence continues to impact on the service sector and survival rates</li> <li>□ Short-term access to working capital is a constraint to growth for businesses with a previously strong track record</li> <li>□ Public sector spending will have to reduce in the current climate</li> <li>□ Decline in public sector resources to provide infrastructure for growth (for employment land, housing and public realm)</li> </ul>

## **Oadby and Wigston's Priorities for Investment**

In response to the challenges outlined above, the Borough Council and its partners seeking the economic renaissance of the Borough of Oadby and Wigston have agreed a common vision for the Borough's economy based upon five aspirations:

- Need to make the economy more competitive and robust and stimulate new business starts – from micro business to high value, high growth - and support business growth where it creates new employment opportunities;
- Need to support business development, including social enterprise development, in target groups / communities;
- Ensure that the Borough can retrain and train its workforce to meet the changing demands of business
- Increase the number of economically active with higher levels of skill
- Improve the median wage levels across the Borough

This Local Investment Plan has been devised within the restrictions of Priority Axis 2 to address these aspirations. It will do this by proposing measures which:

- support businesses to start, survive and grow;
- improve the quality and range of industrial and other employment and workspace premises, especially, in the provision of accommodation suitable for start-ups;
- and, improve the Borough's physical assets and image, particularly in the three town centres and on the employment sites, all to generate new jobs and create opportunities for further economic growth.

It is intended to achieve these by investing in a limited number of carefully focused, transformational projects that aim to produce a lasting impact.

Success will be recognised using the following tests:

- The economic productivity and enterprise has increased - measured by GVA and VAT registrations
- The confidence of residents and businesses in the local economy is increased and there is a positive external image of the Borough - both of which will be measured qualitatively.

## **Indicative Activities**

### **Enterprise Support**

The focus is to stimulate enterprise amongst the local residents and to encourage businesses to grow. This will be achieved by inviting programmes tailored to the needs of local people and their particular business aspirations. There will be support to existing businesses with potential to grow, adopt new technology and to enter new markets. And, finally, there will be support aimed at the development of a viable social enterprise sector.

In addition to direct support to would be and existing entrepreneurs, the programme will seek to develop a small-scale enterprise centre and refurbish current enterprise sites.

This might, in a limited number of cases, involve investment outside the target areas with clear pathways being made available to link it to the priority local communities.

Priority areas of activity are:

- community focused activity to promote interest in enterprise and offer awareness raising and pre-start business support (including work to promote enterprise to young people),
- specific business support programmes for important business clusters and potential growth businesses, support to develop social enterprise to assist them enter new markets and access local procurement opportunities,
- development of managed workspace and grow-on premises linking micro businesses, new small businesses and social enterprises to business support.
- Raise awareness of opportunities in growth areas such as climate change/renewable materials and provide training and new skills to people/businesses to consider how they can develop new markets.

### **Intended Outcomes**

Increase economic productivity, innovation and enterprise
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Raise confidence in the local economy and positive external image
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## Access to Finance

Access to finance, especially in a period of restricted credit opportunities, has been recognised in the development of the regional ERDF programme as a critical barrier. Micro, small and medium businesses often have difficulty accessing the finance they need to help them to start trading or grow. This is because mainstream financial institutions normally refuse to invest in businesses having little or no official track record, or no collateral. CDFIs provide business support, loans and occasionally other types of investments so that these businesses can realise their potential. Oadby and Wigston Borough Council will work with its partners to identify activity to:

- enable maximum access of the regional support by local businesses and social enterprises
- opportunities to design new 'money' to address local microfinance needs.

## Intended Outcome

Increase economic productivity, innovation and enterprise
Raise confidence in the local economy and positive external image

## Access to Resources and Support

This topic will seek to raise the employment rate in key wards by focusing on groups and SME's that face barriers to their participation in relation to transport and ICT connectivity. The targeted groups will include young people (NEETS), people 'at risk' from substance abuse and from contact with the judicial system, people with disabilities, women returners, the long term unemployed and people on incapacity benefits.

Oadby and Wigston Borough Council is committed to investigating the barriers which may be presented to those seeking work by relatively poor public transport links between points within the Borough.

## Intended Outcome

Raise confidence in the local economy and positive external image
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## **Local Infrastructure, the Public Realm and Environment**

Oadby and Wigston Borough Council is in the process of developing masterplans for its three centres, Oadby, Wigston and South Wigston, and is producing a Supplementary Planning Document for its employment areas. This document proposes actions to increase the number of quality sites available for commercial and residential development, improvements to access and the public realm and the more general environmental quality. The Borough has also commissioned both a Business Needs Survey and an Employment Land Study which highlighted the need to improve the quality of the Borough's employment areas, both to benefit existing tenants and to demonstrate to prospective inward investors the aspiration of the Borough to provide high quality opportunities.

The improvements will focus on the town and district centres and the following employment areas:

- Kenilworth Drive employment area
- Magna Road employment area
- Gloucester Crescent employment area
- Chartwell Drive employment area

Funding will be available to:

- apply design and construction 'good practice';
- ensure the integration of green infrastructure in existing employment areas;
- and, support public realm

### **Intended Outcome**

Raise confidence in the local economy and positive external image
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The Oadby and Wigston LIP will deliver its outcomes through the following PA2 delivery strands and indicative actions as set out in the East Midlands Operational Programme. These activities are highlighted below:

2a	Enterprise Support	Indicative Actions
2a1	Enhanced enterprise and start-up support targeting priority groups to include awareness raising and mentoring	Increase rate of sustainable business creation
2a2	Bespoke business support for businesses and social enterprises to exploit new markets / procurement opportunities	Support for existing businesses, particularly high growth businesses  Bespoke assistance to support survival rates post 12 months.
2a3	Develop capacity of local business and social enterprises to access local public sector procurement opportunities and to inter-trade	Support local supply chain opportunities  Develop effective public sector procurement processes and 'Buy Local' initiatives
2a4	Development / refurbishment of premises and of small scale enterprise facilities	The provision of premises to act as incubator units for new starts, stimulating job creation and new business growth
2b	Access to Finance	
2b1	Provision of appropriate financial instruments including CDFI	Target businesses with potentially viable proposals but excluded from mainstream financial mechanisms
2c	Access to resources and Support	
2c1	Developing and improving access to employment opportunities, including ICT connectivity and local transport initiatives	Sustainable transport initiatives that materially impact on linking people to jobs  ICT connectivity initiatives
2d	Reviving Local Infrastructure and Environments	
2d1	Rehabilitate the environment in local employment areas and the key town centres to create more attractive places for investors and communities	Improvements to business environments and accessibility to employment

## **Alignment with Local, Sub-regional and Regional Strategies**

This plan is consistent with and aims to support the main objectives set out by local, sub-regional and regional plans for economic development. The regional strategic agenda has obviously been affected by the change in government, but under the Operational Programme for ERDF the regional economic strategy is still a driver, so this will be referenced here along with other local plans:

- Lisbon Strategy (2000)
- East Midlands Regional Economic Strategy (RES)
- Leicester and Leicestershire Enterprise Partnership
- East Midlands ERDF Operational Plan 2007 - 2013
- Oadby and Wigston Core Strategy
- Oadby and Wigston Economic Development Strategy

### **Alignment with the Lisbon Strategy for Growth and Jobs 2000**

The aim of the Lisbon Strategy was to make the EU "the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion", by 2010.

The main fields were economic, social, and environmental renewal and sustainability. The Lisbon Strategy was heavily based on the economic concepts of:

- Innovation as the motor for economic change
- The "learning economy"
- Social and environmental renewal

The perceived failure of the Lisbon Strategy has led to the adoption of 'Europe 2020' as a 10-year strategy proposed by the European Commission on 3 March 2010 for reviving the economy of the European Union. It aims at "smart, sustainable, inclusive growth" with greater coordination of national and European policy.

The current ERDF programme is required to commit a minimum of 77% of funds to achieving 'Lisbon' eligible activities:

The Lisbon Strategy aims at promoting innovation and research and development as a means of driving the EU forward as a high skill, high productivity area. However, there are strands which reflect the reality on the ground in areas such as the Borough of Oadby and Wigston where more incremental growth can be supported.

- Investment in firms

- Measures to stimulate research, innovation and entrepreneurship.

### **Alignment with East Midlands Regional Economic Strategy (RES)**

- Targeted provision to improve business creation, competitiveness and productivity
- Support innovation and knowledge-based businesses
- Increase the provision of good quality business premises
- Improve infrastructure and connectivity as an aid to business development and employment opportunities

### **Alignment with Leicester and Leicestershire Enterprise Partnership**

The Leicester and Leicestershire Enterprise Partnership (LLEP) is a strategic commissioning body which will lead sustainable economic growth through investment in enterprise and innovation, employment and skills, housing, planning, infrastructure and the rural economy.

### **Alignment with East Midlands ERDF Operational Programme 2007 - 2013**

*'By 2020, the east Midlands will be a flourishing region – with growing innovative businesses, skilled people in good quality jobs particularly in healthy inclusive communities and living in thriving and attractive places.'*

Detailed consideration of the region's main challenges, strengths and opportunities have been the key influences in the development of the East Midlands ERDF Operational Programme. It also takes into account the European Commission's Community Strategic Guidance and the UK National Strategic Reference Framework.

This LIP addresses the East Midlands ERDF Operational Programme priority:

- Increasing sustainable economic and enterprise activity in disadvantaged communities

## **Alignment with Oadby and Wigston Core Strategy**

Oadby and Wigston Core Strategy was inspected in 2010 and approved as the guiding planning statement for the Borough to 2026. The strategy highlights those areas where physical planning can complement economic development and regeneration initiatives.

The key aspirations of the Core Strategy are to:

- Raise the employment levels of local people.
- Increase business growth.
- Reduce the environmental impact of activities and address the wider challenge of climate change.
- Improve physical access and infrastructure.

The Council's plan is to support initiatives that encourage economic growth by attracting and retaining more business and investment. It will support business incubation and grow-on facilities in order to promote economic development and will encourage growth that creates new jobs for local people.

## **Oadby and Wigston Economic Development Strategy**

The Oadby and Wigston Borough Council has adopted an Economic Development Strategy in 2010 which also forms the basis of the on-going discussions amongst partners intent on forming an Enterprise and Employment Group to take forward joint actions in the interest of Oadby and Wigston. The Strategy has three priorities, which will underpin the development of the ERDF local plan. These are:

- Development of a sustainable and successful business base and the encouragement of sustainable economic growth;
- Development of the local workforce;
- Regeneration of the town centres.

The Strategy also incorporates cross cutting themes of 'Accessibility and Sustainability'.

## **Cross Cutting Themes**

The cross cutting themes are not considered in isolation but form a fundamental approach to delivering the strategic objectives of the East Midlands Operational Programme.

The ERDF Programme is subject to a legal requirement to monitor beneficiaries by gender, ethnicity and disability in addition to age. The programme must also record the size of businesses supported.

The detailed specifications for individual measures will also set out the requirement for providers to demonstrate how their project aligns with the principles of equality of opportunity and environmental sustainability.

PA2 includes indicative actions to support the development of social enterprises to deliver services required in the local community that will improve the economic, environmental and social capacity of the area.

The activities, which will be brought forward as part of this LIP, will aim at maximising the impact on the Borough's most disadvantaged communities by providing economic opportunities and benefits. The key beneficiaries will include women, lone parents, ethnic minorities, people with disabilities, people 'at risk' of substance abuse, people 'at risk' of being involved in the criminal justice system and those people with no qualifications.

Projects will also be required to seek to be environmentally friendly and sustainable.

## Key Project Criteria to Guide Organisations wishing to be supported by East Midlands ERDF Programme 2007 – 2013 PA2

- **Strategic Context** – Links to ERDF Operational Programme, relevant parts of the former Regional Strategy, LEP, Oadby and Wigston Economic Development Strategy
- **The project/activity** – Demonstrate additional and sustainable benefit to the socio-economic development of the area
- **Delivery timescale** – Specified start and end dates for the project
- **Outputs, results and impacts** – Details of the outputs, results and impacts the project will need to deliver. Could also include details on the longer term outcomes and linkages expected from the project.
- **Location** – the project, as a general rule, should be located in the programme area and demonstrate that the outputs will be delivered in the programme area.
- **Contributions to cross cutting themes** – Explanation of the cross cutting themes of equality and environmental sustainability and how projects are expected to demonstrate their contribution to them.
- **Track record** – information on the specific requirements and previous experience of a successful applicant, could include information here on managing a consortium project and working in partnership with local organisations.
- **Partners** – Details of partners applicants are expected to work with in delivering the project.
- **Linkages** – the project should demonstrate clear progression routes to benefit the key beneficiaries.
- **Duplication and substitution** – the activity should not duplicate existing activity and must not be a substitute for existing or planned mainstream or alternative expenditure
- **Funding** – Details of the expected project budget including the maximum ERDF grant available, intervention rate and match funding requirements; also demonstrate acceptable value for money in terms of outputs / results and the benefits returned on the investment.
- **Risks** – ensure that the proposal offers the best way of achieving the desired outputs / results.
- **State Aid / Procurement** – demonstrate that procurement and state aid issues have been fully considered.
- **Monitoring and evaluation** – information on the requirements of the successful applicant.

## **Routes to Market**

The Borough has been included in the East Midlands Competitiveness Programme ERDF Priority Axis 2 (PA2) as a result of the 2010 Midterm Review.

There are three 'Routes to Market' as detailed in the East Midlands ERDF Competitiveness Operational Programme 2007 – 2013. These are:

- Open Bidding: where any number of potential applicants or delivery organisations are invited to apply directly for grant for specific operations and/or outputs
- Limited Bidding: where a limited number of potential project sponsors are identified and invited to bid to deliver targets and outputs or to deliver specific operations
- Non-competitive Selection: where a single project sponsor is selected as the appropriate vehicle for delivering specific operations and/or programme targets and outputs and are approached directly to submit an application.

## **Quick wins**

Within the context of the above bidding process, the partners will aim for a rapid commencement of projects. 'Quick win' projects will enable the partnership to commit ERDF funding quickly and effectively during 2011, delivering identified priorities in certain key areas / communities. The 'quick win' projects will be supported which:

- have critical infrastructure in place to aid an early start
- have some funded activity already in place
- can deliver the objectives of the ERDF Operational Programme
- contribute to the priorities in the ERDF LIP
- can deliver outputs, results and impacts and value for money

## **Development of longer-term strategic activities**

The Local Investment Plan will generate a number of longer term strategic projects. These will be more complex and require considerable discussion with potential partners.

As a result, the Plan, it is proposed, will be over-programmed in both areas. The partners are looking for initial 'in principle' support; close monitoring of progress on developing the projects will result in formal approval of only as many as will both meet the programme priorities and commit no more than the overall allocated sum.

## Consultation Process

The LIP was, initially, prepared by the Borough of Oadby and Wigston. Copies of the draft LIP were forwarded to members of the Oadby and Wigston Enterprise and Employment Group for their comment and endorsement.

The Group represents the key agencies and interests involved in economic development and regeneration. Representatives of the Group will be nominated to assess the expressions of interest (EoI) and projects received during the bidding process.

All applicants are expected to achieve the minimum quality threshold of 50% (30/60) to be considered for local prioritisation.

Following local prioritisation endorsement by the E&E Group, the projects will be invited to submit a full application which will be forwarded to *emda* for full appraisal. All bidding and appraisal processes will be carried out in accordance with *emda*'s guidance.

## Management Arrangements

Oadby and Wigston Borough Council is the lead body for the ERDF Local Investment Plan. It is the accountable body for the ERDF Local Investment Plan for the purpose of entering into arrangements with *emda* to manage and deliver the Borough of Oadby and Wigston Local Investment Plan.

The focus of this ERDF programme around the Lisbon Jobs and Growth agenda means that the best fit within Oadby and Wigston Borough Council is with the economic development themed group of the LSP.

## Publicity

The ERDF Local Investment Plan will be launched using the established and effective communication channels within the Partnership which include;

- Briefing papers to key groups within the Partnership.
- E-bulletins using the Oadby and Wigston Borough Council website
- Features in the Borough newsletter, 'Letterbox'

### Total Funding for Lead Body/Partnership

Intervention Rate (%)	ERDF Requested (£)	Match funding from Public Sector / Private Sector (£)	Total Programme Value (£)
62.72	2,418,355	1,437,440	3,855,795

### Outputs

Proposed Outputs/Results/Impact	
No of businesses assisted to improve performance	92
Public / private sector investment leveraged (£)	3,224,231
Sq metres of new or upgraded floor space m <sup>2</sup>	475
No. of people assisted to start a new business	67
Brownfield land reclaimed or redeveloped (ha)	0.425
No. of jobs created	155
No. of businesses improving performance	82
GVA (Gross Value Added) resulting from businesses improving performance (£)	2,949,297
No. of new businesses created and new businesses attracted to the region	40
Increase in employment	0.6%
Increase in businesses	4%

### ERDF Expenditure by Year (£)

2011	2012	2013	2014	Total
£302,297	£755,735	£755,735	£604,588	£2,418,355

All funding must be committed by December 2013 and all expenditure, outputs and project evaluation completed by 30 June 2015.

## Contact Details

For further information on the Borough of Oadby and Wigston ERDF Local Investment Plan contact:

Borough of Oadby and Wigston: Economic Development Officer  
T: 0116 257 2644  
M: 07747 455767  
E: [business@oadby-wigston.gov.uk](mailto:business@oadby-wigston.gov.uk)

The ERDF Team *emda*/DCLG: Michelle Targett – Priority Axis 2  
ERDF Contract Manager  
T: 0115 947 1768  
E: [michelletargett@emd.org.uk](mailto:michelletargett@emd.org.uk)