

Call-In Exemption

Title of Decision	Crowdfund North East Local Enterprise Partnership (LEP)
Chief Officer Requesting the Exemption	Monitoring Officer
Is this decision confidential?	No
When will the decision be made?	24 April 2020
Who will make the decision?	Head of Paid Service
When must the decision be implemented?	24 April 2020
Permission to seek exemption obtained from Head of Paid Service	Date: 24 April 2020
Permission to seek exemption obtained from the Mayor	Date: 24 April 2020
Copy of this form was sent to: Chief Finance Officer Monitoring Officer Democratic Services Officer Scrutiny Officer Portfolio Holder Chair and Vice-Chair of the Overview and Scrutiny Committee Mayor / Deputy Mayor	Date: 24 April 2020
Overview and Scrutiny Committee Chair's Decision	
I agree that this decision should be exempted from call in for the reasons set out in Schedule 1 of this form.	
Any additional comments from the Chair of the Overview and Scrutiny Committee: General comments: Although the Covid-19 global pandemic has brought on tough times or an unforeseeable future for many business in our region, it is good that that this proposed fund is aimed at most vulnerable micro businesses which without the existence of such a scheme, they could have potentially otherwise fallen through the net, especially if they were not eligible to apply for existing Central Government or Local Authority support. Each individual grant	

awarded being up to a maximum of £5,000 gives the opportunity for both a significant number and wide range of business across the seven council areas to be supported by the LEP.

Proposed Amendment:

The proposed name of the scheme 'Crowdfund North East LEP', does not do the project the justice it deserves. Despite 'crowdfunding' technically being a correct term from a business perspective, to many people, crowdfunding brings on imagery of someone doing an online page to help raise funds for charity online to do a sponsored run / activity. As the LEP and no doubt the two Combined Authorities and the seven Councils will be promoting this scheme in the public domain, it is imperative that the LEP, from the launch of this scheme, give the right and clearest impression of what it is about in the least amount of words and to the widest audience as possible; so with these factors in mind, it is more appropriate to call the proposed scheme 'North East LEP Match Funding Programme' for Businesses. I do hope that this suggestion is taken on board and seriously considered before the scheme goes live into the public domain.

Chair's Signature	Signed by Councillor Gregah Alan Roughed Chair of the Overview and Scrutiny Committee North of Tyne Combined Authority
Date	24 April 2020

SCHEDULE 1

Description of Decision

To help supplement the support provided nationally by the Government, a £1m Crowdfund North East Fund (CNEF) is being proposed to help micro businesses and ensure the impact of the pandemic on the North East economy is mitigated. The CNEF will be initially targeted at those micro businesses who are not eligible to receive support from the Small Business Grants Fund or Retail, Hospitality and Leisure Grant Fund. Many of the 45,800 SMEs do qualify but intelligence from Local Authorities, the North East Growth Hub and direct conversations with businesses shows that there are number of micro businesses that 'fall through the gap' of the Government schemes.

In light of the sharp downturn in income felt by micro businesses the North East LEP is seeking to implement an immediate and urgent response. Working with Crowdfunder UK they are looking to utilise a scheme available for businesses to pre-sell their services now on a promise to their customers that they can redeem them later; a scheme called Pay it Forward. Pay It Forward gives businesses the opportunity to raise cash that will allow them to make longer term decisions based on business sense rather than crisis cash flow. The CNEF will provide a match funding grant of up to £5,000 against the Crowdfunder Pay It Forward scheme to assist with business cash flow pressures during the COVID-19 pandemic.

The decision by the North of Tyne Combined Authority, acting as Accountable Body for the North East LEP, is to enter into all relevant contractual arrangements to enable the CNEF to become operational.

Relevant Documents:

- North East LEP Board Delegated Decision report and approval from Chair and Vice Chairs

Reason for Requesting an Exemption from Call-in

Why must the decision be implemented by the date specified?	Due to the COVID-19 pandemic there is an urgency to implement the funding scheme to ensure that businesses in the North East LEP region have the opportunity to access the grant funding at the earliest opportunity.
What would happen, or fail to happen, if implementation of the decision was delayed while a call-in took place?	Any delays in implementation would mean in impact of the funding scheme would be reduced, and it would take longer for eligible businesses to access these grant funds; which could ultimately lead to loss of employment and failure of businesses.

How would a delay prejudice the Authority's or the public's interest?	A delay would not be in the wider public interest as it would increase the risks of loss of employment and failure of businesses
Would the disclosure of sensitive commercial information be prejudicial to the Authority's interest? If so, explain the possible effect of such a disclosure.	There is no sensitive information attributable to this decision
Any other comments	None