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To: Growth, Economic Development and Communities Cabinet
Committee – 14 April 2015

Subject: Information on Key Decision

Classification: Unrestricted

Past pathway of paper: None

Electoral Division: All

Background Information

In November 2011 the Department of Business, Innovation and Skills (BIS) allocated £35 million for the Expansion East Kent scheme. The Expansion East Kent scheme provides funds for companies with investment plans that will lead to job creation.

This report provides information on the allocation of a loan for £1,021,000 to a company aiming to be based on the Discovery Park site in Sandwich which was taken as an Urgent Key Decision on 16th February 2015.

Recommendation

Members of Growth, Economic Development and Communities Cabinet Committee are asked to NOTE the decision taken.

1. Summary of Urgent Key Decision

- 1.1 The Leader on 16th February took an urgent decision to formally approve a recommendation of the Investment Advisory Board to the East Kent Expansion scheme to award a loan of £1,021,000 to an applicant.
- 1.2 All Members of the Scrutiny Committee were given access to the documents. The majority of the papers and background documents relating to this decision are exempt from publication under paragraph 3 of schedule 12a of the Local Government Act 1972 and could only be viewed via Knet and not the Council's external website. Now that the company has received the funding, its name can be disclosed publicly although the details of the funding conditionality are commercially confidential.

2. The Loan

- 2.1 MiddletonMurray Limited was founded in Sidcup by Angela Middleton in 2002 as a recruitment consultancy placing temporary and permanent staff with employment in London and the South East.
- 2.2 The purpose of the loan was to enable MiddletonMurray to set up offices in East Kent. The funding contributes to the cost of establishing a new MiddletonMurray centre in Canterbury and a satellite office in Discovery Park, Sandwich that will service the East Kent area. These new offices would provide training services to businesses and learners, improving skills, creating jobs and getting NEETs into work via apprenticeships in East Kent. They will create 45 direct new jobs in the East Kent offices whose work will result in over 2,000 East Kent unemployed and NEETs obtaining local employment over a period of 7 years.
- 2.3 MiddletonMurray aim to replicate their successful business model for East Kent, leveraging their core capabilities in sales, marketing, delivery and operations to deliver a unique and powerful proposition to learners and employers, providing them with a significant differentiator to their competition.
- 2.4 In 2004, the Company opened offices in the City of London and Bexley. In 2006, it opened an office in Wolverhampton to become a national provider of temporary skilled workers. It also received Investors in People accreditation. In 2008, it won the first government contract for training newly unemployed people. In 2011, it was part of the Mayor's apprenticeship programme for London and opened an office in Singapore (which turned out to be unsuccessful). In 2014, the company won the "Best Medium Size Business" at Bexley Business Awards. MiddletonMurray is one of 40 approved Apprenticeship Training Agencies in the UK and the first training provider to be accredited by the Recruitment and Employment Confederation. They are currently the largest provider of 16-24 apprenticeship in the UK and deliver these at an Ofsted Outstanding Level One.

3. Urgency

- 3.1 The decision was taken in accordance with procedures for special urgency set out in The Local Authorities (Executive Arrangements) (Meetings and Access to Information) 2012 regulations and as such the Chairman and the relevant senior manager both agreed that the decision was urgent, and could not reasonably be deferred in order to complete the normal statutory requirements, without presenting a risk to the Council, the successful completion of the loan and to the consequential realisation of associated benefits.
- 3.2 In addition and in accordance with local procedures, the group spokespeople of the Scrutiny Committee were informed of the Leader's intention and invited to meet with him on Friday 13th February to discuss the proposal before the decision was finalised on Monday 16th February 2015.

4. **Recommendation:**

Members of Growth, Economic Development and Communities Cabinet Committee are asked to NOTE the information contained in this report.

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