RESEARCH MAPPING OF BUSINESS SUPPORT ACROSS THE MARCHES

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Contents

Executive Summary

This report provides insight into the provision of business support across the Marches Local Enterprise Partnership (LEP) area and makes recommendations for the future delivery of business support across the area to allow for flexible and tailored support to be offered that is capable of adaptation to meet the changing needs of business.

The report provides an overview of the LEP area highlighting the significant similarities and differences to the national picture as well as variations across the area itself. The areas looked at are:

- ☐ **Demography (population distribution, employment, growth)**
  Whilst it is clear that the area broadly sits in line with the national demographic picture, there are clear differences that require consideration when formulating and executing future plans.

  Most notable is that the three authorities within the Marches, whilst being similar due to their geographic proximity and culture, are very different in the way their individual business communities' operate and for that reason a single pan-Marches business support solution would not be appropriate.

- ☐ **Business types (size, sector, maturity)**
  The report provides feedback from businesses across the Marches LEP area which was gained from detailed face to face interviews. These highlighted the fact that the provision is seen as being highly disjointed with confusing vocabulary and support agencies are often seen as competing rather than complementing each other.

  Further, the requirement for types of support varies according to business size with larger companies placing a significant focus on recruitment and the development of workforce skills and often only requiring help with infrastructure and development projects, whilst smaller businesses want consultancy support and funding through grants and loans to support specific projects or specific challenges. This change in emphasis between larger companies' perceived requirements and that of smaller businesses may be that larger companies' self-assessment may lead them to believe that they have grown to a large size because their strategic plan is fit for purpose. As a result of this their support requirement is only for help with recruitment and skills training and planning and highways assistance to deliver their strategic growth plans. Smaller companies recognise that they do not have the broad range of skills within their limited number of employees to deliver step change growth and for that reason they look for management consultancy or project specific interventions.

  The recurring theme from all those interviewed was to engage with people who understand their business and the challenges they face as individuals who are in business. They also placed an emphasis on single points of contact rather than sign posting, where people expressed frustrations with terms like "*feeling passed around…*" and "*constantly having to repeat myself…*" or "*everyone always wants to see my accounts…*" indicating that there is a desire for the single point of contact to also assist with registration ,form filling, application processes and providing follow up information as well as alerting businesses to possible appropriate assistance. This matches feedback from the authorities where feedback was given that there is a desire to be more proactive, targeted and effective in the way grants and support are awarded.

The report provides a list of the business support that was identifiable and currently available in the area which is then mapped by business stage and geography to create a matrix. This matrix also provides data on publicly funded incubator space available in the area.

The report also examines the differing priorities of public, private and academic sectors. In this report we discuss how the Marches LEP can benefit from the best blend of these three different philosophies.

Finally, the conclusions suggest how improvements can be made to engage more effectively with the business community by using targeted communications channels for specific types of customer. This in turn should lead to greater engagement of businesses with relevant programmes and deliver greater economic growth. Another critical conclusion is that programmes must be flexible in order to respond to the business communities' real needs as opposed to anticipated needs. This would allow for changes in methods of delivery or outputs if more effective and/or efficient options become apparent. This evolutionary approach should deliver optimum return on the investment being delivered to the business community.

Background, Terms of Reference & Methodology

Background and Terms of Reference

This study was commissioned by Telford & Wrekin Council on behalf of the Marches Local Enterprise Partnership (LEP) in November 2014.

Government has recognised the problems with current provision and is encouraging LEPs to streamline business support activity through the development of Growth Hubs, which will be expected to integrate national support (as delivered through the Business is GREAT campaign) with strong, locally tailored activity.

Information and views have been sought from the key stakeholders providing business support, however, the research has attempted to take a 'demand led' approach to determining the requirements for support by engaging with a representative cross section of businesses across the area.

The three aims of the report are:

1. Understand the local business community and its requirement for business support
2. Map current business support and its efficacy
3. Make recommendations for the future delivery of business support across the Marches to allow for flexible and tailored support to be offered that is capable of adaptation to meet the changing needs of business

Additionally this report highlighted the requirement for further research in the area of business incubation space. Initial research identified a wide gap in the interpretation of incubation space ranging from subsidised office space through to a process whereby initial concepts are tested, proved and developed with support in all of these areas as well as protection of intellectual property.

(See Appendix 1)

Methodology

A broad range of qualitative and quantitative methods have been used to discover trends and views within the business community and then to discover how widely these occur so as to measure their significance.

Account has been taken of the research limitations and these are clearly highlighted throughout the report.

(See Appendix 2)

Research Findings

Overview of the Marches LEP Area

Geography

To gain a greater understanding of the requirements of businesses in the area it is important to first of all understand the nuances that make the region special and within the Marches what makes each of the authorities unique, when we look at each of the authorities individually a clear picture emerges as to the relative importance of Urban Powerhouses, Market Towns and Rural populations

Fig.1

POPULATION BREAKDOWN ('000s)

	Herefordshire	Shropshire	T&W	Marches
Urban	59	72	138	269
Market	40	110	11	161
Rural	85	125	18	228
TOTAL	**184**	**307**	**167**	**658**

Source: ONS 2011 Census for England and Wales

	Herefordshire	Shropshire	T&W	Marches
Urban	32%	23%	83%	41%
Market	22%	36%	7%	24%
Rural	46%	41%	11%	35%
TOTAL	**100%**	**100%**	**100%**	**100%**

What this tells us:

- As with much of the data analysed for this study, the overall breakdown of the population is broadly in line with the national picture – there are some interesting local deviations:
  - T&W has a very concentrated population with 83% in Telford itself
  - Both Herefordshire and Shropshire have large rural populations (over 40%)
  - In Herefordshire this rural population is serviced by the hub of Hereford itself
  - Whilst Shropshire's rural population is more focussed on its market towns
- Also it is worth noting that The Marches is one of the largest LEP areas thus making it a geographically challenging population to service

It is clear that T&W is markedly different to the other two authorities in terms of the significance of Telford as the Urban Power House. What is not so immediately apparent is that although Shropshire and Herefordshire have a similar split to each other in terms of urban: rural the significance of market towns in Shropshire should not be underestimated. First-hand experience of delivering the Marches LEP Start-Up Shape-Up programme across the region informed us that whilst Herefordshire businesses overwhelmingly preferred to travel to Hereford, for the success of the programme in Shropshire delivery at several of the market towns was required, in addition to the flagship offering which was naturally in Shrewsbury. This hypothesis may be an area for further research as it was not a key question in the research carried out for this programme but it came up, unprompted, regularly during interviews and the implications for locations for the delivery of support in each authority is significant.

Business Size

Whilst the overall picture for the Marches area sits broadly in line with national figures there is a significant variation in the distribution of different sizes of businesses across the three authorities.

Fig. 2

NUMBER OF ENTERPRISES BY SIZE AND AREA	Herefordshire	Shropshire	T&W	Marches	England ('000s)
SME <£25m turnover	9410	14455	4365	28230	1835.6
Micro <10 employed	8520	13210	3760	25490	1637.2
Small 10-49 employed	795	1090	515	2400	170.2
Medium 50-250 employed	95	155	90	340	28.3
Mid Sized >£25m turnover	20	35	35	90	7.7
TOTAL	9430	14490	4400	28320	1843.3

Source: BIS Analysis of Mid-sized Businesses by LEP and sector, BIS Business Population Estimates for UK And Regions 2013, and BIS SME Statistics For The UK And Regions

SIZE AND AREA (% BREAKDOWN)	Herefordshire	Shropshire	T&W	Marches	England
SME <£25m turnover	99.8%	99.8%	99.2%	99.7%	99.6%
Micro <10 employed	90.3%	91.2%	85.5%	90.0%	88.8%
Small 10-49 employed	8.4%	7.5%	11.7%	8.5%	9.2%
Medium 50-250 employed	1.0%	1.1%	2.0%	1.2%	1.5%
Mid Sized >£25m turnover	0.2%	0.2%	0.8%	0.3%	0.4%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%

What this tells us:

- Again, whilst the overall breakdown of businesses is broadly in line with the national picture – there are some interesting deviations:
  - Shropshire has over 50% of all the businesses in the area whilst Telford & Wrekin hosts only 15.5%
  - Shropshire and Herefordshire have a very large number of micro businesses
  - Whilst Telford and Wrekin has a higher concentration of Mid Sized businesses
- It is unclear how these concentrations relate to the relative sizes of population – this is shown on the next chart

To understand the impact of these figures we need to understand whether the number of mid-sized businesses is high in Telford or does it just look high because there are relatively few micro businesses. Similarly are the numbers of mid-sized businesses low in Shropshire and Herefordshire or do these figures just low because of a relatively high number of micro businesses.

The table below shows the relative numbers of each size category in relation to the population.

Fig. 3

BUSINESS DENSITY BY SIZE BASED ON BUSINESSES PER 1000 OF POPULATION	Herefordshire	Shropshire	T&W	Marches	England
SME <£25m turnover	51.14	47.08	26.14	42.90	32.49
Micro <10 employed	46.30	43.03	22.51	38.74	28.98
Small 10-49 employed	4.32	3.55	3.08	3.65	3.01
Medium 50-250 employed	0.52	0.50	0.54	0.52	0.50
Mid Sized >£25m turnover	0.11	0.11	0.21	0.14	0.14
TOTAL	51.25	47.20	26.35	43.04	32.63

Source: ONS 2011 Census for England and Wales, BIS Analysis of Mid-sized Businesses by LEP and sector, BIS Business Population Estimates for UK And Regions 2013, and BIS SME Statistics For The UK And Regions

What this tells us:

- The Area has a significantly higher proportion of SMEs than the rest of the country. This is driven by three key factors:
  - Herefordshire and Shropshire have very high proportions of micro businesses (50% above the national average)
  - Telford and Wrekin has a very low proportions of micro businesses (20% below the national average)
  - Telford & Wrekin has a very high concentration of Mid Sized businesses (50% higher than the national average) – this being said, because of the its overall low number of businesses, Telford & Wrekin has just over 1/3 of the area total.

The figures in the table below paint a picture of the relative importance of each size category to the employment in each authority. The differences are compelling and highlight that a range of approaches should be employed across the area.

Fig. 4

ESTIMATED EMPLOYMENT BY BUSINESS SIZE AND AREA	Herefordshire	Shropshire	T&W	Marches
SME <£25m turnover				
Micro <10	11,655 A	18,071 B	5,144	34,870
Small 10-49	11,782	16,154	7,632	35,568
Medium 50-250	6,967	11,368	6,601 C	24,936
Mid Sized >£25m turnover	5,194	9,089	9,089	23,372
TOTAL	35,598	54,682	28,466	118,746

Large employers >£500m t/o including public sector account for the remaining 35% jobs

Source: BIS Analysis of Mid-sized Businesses by LEP and sector, BIS Business Population Estimates for UK And Regions 2013, and BIS SME Statistics For The UK And Regions

NOTE: These figures should not be relied on for statistical analysis as further work is needed in this area. The figures here were derived by taking trends from the West Midlands and applying them to the business population in the Marches. They are indicative only and should be used to understand broad trends.

NOTE: On average 21.7% of employees in the Marches are employed in the Public Sector - this would suggest that around 24,000 people are employed by Large private companies across the area.

What this tells us:

- Given the relative weighting of the sizes of businesses across the area, it is no surprise that more employment is seen in the bigger businesses in Telford & Wrekin compared with the smaller businesses in the other two authorities.
  - A. 98.7% of businesses are responsible for 66% of jobs
  - B. 98.7% of businesses are responsible for 63% of jobs
  - C. 2.8% of businesses are responsible for 55% of jobs
- This analysis does not explore the numbers employed in the public sector and large businesses in any detail and more work is recommended in this area.

To summarise the findings of this element of the research, it would appear that within the overall objectives for the Marches LEP, the challenges in each of the three authority areas are significantly different and need to be addressed in any overall plan. These challenges are discussed in more detail later in this report.

"...a strong, diverse and enterprising business base, operating in an exceptional and connected environment, where the transfer of technology and skills foster innovation, investment and economic growth".

(The Marches LEP Vision Statement)

Summary of the business landscape of each of the three authorities:

Shropshire - A high level of micro and small businesses, with 63% of jobs created in these categories of companies. These businesses are mainly concentrated in shrewsbury the urban power house , and market towns in the north and east of the county. However, in absolute terms Shropshire has the same number (35) of mid-sized companies as T&W and development of these businesses is also a priority.

Herefordshire - A high level of micro and small businesses with 66% of jobs created in these categories of companies which are spread around the county but with the Hereford Urban Powerhouse seen as the natural commercial centre.

Telford & Wrekin – Medium and mid-sized business are the significant contributors to the local economy with 55% of jobs in the private sector being created by the largest 2.8% of these enterprises.

The Marches in Total – An overarching picture of the Marches LEP gives an indication of where the focus should be and the challenges for engaging with enterprises within each sub section lie. It is important, when developing support for businesses, that the differences within each of the three geographic areas are taken into consideration and initiatives are developed that reflect these differing needs.

Recommendations for a flexible approach

The table below shows the variations at individual enterprise level and how these differences manifest themselves at a total level for each size category across the area.

Fig. 5

CONTRIBUTION BY SIZE TO REGIONAL TURNOVER AND JOB NUMBERS	Number of Enterprises	Estimated average turnover per enterprise (£'000s)	Estimated total turnover by size (£Bn)	Estimated average employees per enterprise	Estimated total employment by size
SME <£25m turnover	**28,230**	**348**	**9.83**	**3.4**	**95,374**
Micro <10 Employed	25,490	135	3.44	1.4	34,870
Small 10-49 Employed	2,400	1,500	3.60	14.8	35,568
Medium 50-250 Employed	340	8,200	2.79	73.3	24,936
Mid Sized >250 Employed	**90**	**36,000**	**3.24**	**259.7**	**23,372**
TOTAL	28,320	461	13.07	4.2	118,746

What this tells us:

- Although the numbers of business in each size category varies massively the differences in total contribution to employment and regional turnover by each size category is much less pronounced
- Engagement with each category requires a different approach

We can see from this table that mid-sized firms deliver 25% of total turnover in the Marches area. This group is relatively small in number, a total of 90 businesses across the entire Marches LEP and for that reason they are a strong candidate for '**super' account management**. There are examples of this occurring in each of the authorities within the Marches LEP and a more 'demand-led' model could be considered to provide an integrated, streamlined offering to this strategically critical group. A possible model for the level of account management required would be that used by large manufacturers of fast moving consumer goods (FMCG) in their dealings with the UK's top food retailers. In this model national account managers meet on an annual basis with their key customers to agree budgets and targets for the year and then review these on a minimum of a quarterly basis to ensure adherence to plan or agree corrective actions..

"Nationally funded Business Growth Service grants delivered locally can be used to match fund ERDF draw downs and Pera Consulting would be really keen to work with the LEP to explore ways to leverage these funds to extend and enhance support for SME growth and innovation across the LEP economy".

Ron Flounders, Commercial Director, Pera

As much of this work is already being carried out by key individuals within the authorities there is likely to be little additional costs involved in introducing a proactive account management strategy based on proven models from the private sector. There may be just a small requirement for training in this area and the rewards are potentially very high in respect of GDP growth. It is worth noting that this size of business is likely to sell the majority of its products outside the Marches region thus increasing cash flow into the region.

"It's difficult to know what is appropriate or even available when looking at websites because the names don't give you much of a clue!"

"All the information I've looked at online has confused me because the language used is full of jargon that means nothing to us as simple business people!"

At the other extreme there is a huge number (c 25.5k) of micro businesses and a way of engaging effectively and efficiently with them requires a much smaller Cost to Serve, see Fig. 6 below. Engagement with this group will be less personalised and will need to make use of best practice for social media campaigns directing traffic to events or landing pages for further information and SIMPLE opt-ins for further advice on business support and business tips to develop rapport with this group. The support given needs to be tailored and interactive – i.e. more than just an information website, which from feedback received from businesses can be very frustrating for businesses to engage with.

It is envisaged that the middle sections of small and medium sized enterprises (2740 in total) will require a model of engagement that will include helplines and seminars and with the opportunity for face to face support from local dedicated officers – the use of diagnostic tools will ensure this support can be both relevant and impactful thus gaining buy-in from the businesses.

This level of support indicates a requirement for a **field or territory management model** used commonly in multi-site commercial operations – in this model there is a close working relationship between a central office which has regular contact with each account (probably a mixture of online and telephone contact) which then reports KPIs and queries which are then prioritised by field officers to ensure problems are addressed in a timely manner and opportunities are taken proactively to meet individual and global objectives. Both the central help desk and field officers need a thorough knowledge of support available as well as a strong commercial focus to ensure engagement is relevant.

"For me, the main thing is that whoever I speak to needs to speak my language and understand my business before telling me what's best for me!"

"They need to be practical and commercially minded – I hate asking for help because it just leads to more work when I'm already overloaded"

There is the possibility of creating the necessary budget for account management if additional sources of income could be found for other programmes of business support within the LEP region. A number of opportunities were discussed during the interview with Ron Flounders, Commercial Director of Pera Consulting, one of the key partners of the Business Growth Programme

The use of **business hubs**, both virtual and physical is likely to support this interface, however, care should be taken over the provision of costly physical hubs which, from experience can be massively under-utilised and incur great expense. A clear strategy needs to be developed for business hubs taking into account the unique requirements of each of the authorities.

Warning - care should be taken not to confuse business hubs and incubation space – feedback from businesses interviewed indicates that whilst the demand for centralised hubs (either virtual or physical) is high, demand for centralised incubation space should be determined based on the output of further work recommended earlier in this report. .

"It seems that incubator units are always in the wrong place for most people - wouldn't it be better for businesses to be able to secure grants for starter premises – this way, if my business fails, the council isn't left with an expensive vacant premises to fill, I can secure premises exactly where I want them and if I'm successful, I can stay there without having to move just as the business is really taking off"

INTERVIEWER – "What if there isn't enough incubator space in your area?"

"That's easy – the council could really help by easing planning restrictions in target areas and offering incentives such as grants for planning fees, plus rates support etc – basically, they could give incentives for private investors and developers…"

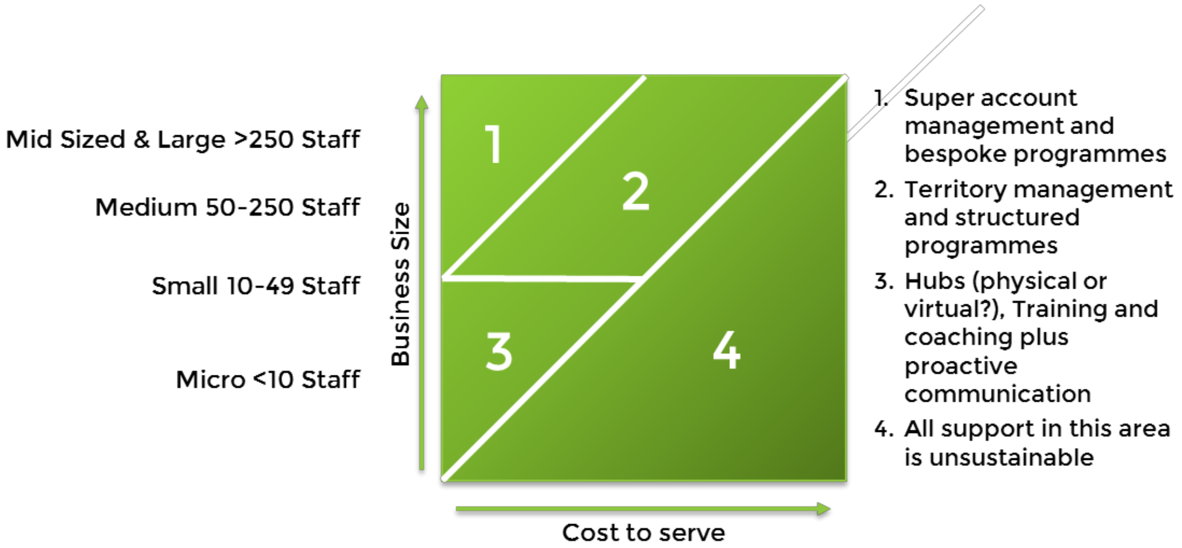
Provision of a business hub within Telford & Wrekin with the clear Urban Powerhouse of Telford would make sense as would a bespoke hub in Hereford for the same reason. The newly established university in Shrewsbury with innovation and enterprise at its heart could mean that for Shropshire a business hub combined with an innovation centre based in the urban powerhouse of Shrewsbury would be a good option. And for the reasons outlined in the *Geography* section of this report it is felt that this flagship hub should be supported by delivery of programmes and support within the market towns as it would seem unlikely that businesses in Albrighton and Shifnal would by-pass Telford to attend a business hub in Shrewsbury. Provisions of bespoke business hubs in each Market Town would be cost prohibitive and so a scheme to take advantage of existing community hubs or 'rooms for the day' from strategic partners would make sense. This kind of engagement can be effective, especially with smaller and newer businesses and is very much in line with the 'pop up' trend that has gained traction in recent years. Experience suggests that these spaces are utilised best when there is an event that drives traffic, such as workshops, seminars and exhibitions etc, so this should be built into an annual calendar of events with an associated marketing plan to ensure engagement through the region whilst minimising overhead costs.

Feedback from businesses interviewed, from business support teams and from the experience of GOOD2GREAT suggests that all interventions should be preceded by a diagnostic analysis of the client business. This would need to be tailored by size of business. A diagnostic tool that is appropriate for a micro business would not be sufficient for a mid-sized business and a diagnostic tool for a mid-sized business would be overkill for a micro or small business. Business diagnostic tool templates are available for each sub sector, for the smallest companies this can take the form of a simple on line self-evaluation whereas for medium and mid-sized businesses this would require interaction with a suitably experienced officer to challenge the businesses' self-perception. This could be further subdivided to phone calls for medium and face to face for mid-sized.

A combination of the above strategies should provide the right level of support at an appropriate cost to serve for businesses in each size category.

Journeys from one size category to the next should be monitored and support increased based on results measured by Gross Value Added (GVA).

Figure 6.



Cost to serve explained: One hour spent with a mid sized business will have an impact on 0.275% of the areas turnover, whereas 266 micro businesses would need an one hour investing for the same impact.

The framework in appendix 3 shows how to segment the market and show how support can be tailored to each business according to:

- its maturity,
- its propensity to grow and
- its size

Thus ensuring that appropriate focus is given to meeting the individual requirements. The framework also shows solutions that are appropriate for each segment. This is an overview of a significant piece of future work that needs completing and the table should be seen only as a start point for further development rather than a final recommendation.

Additional support can be provided for sector specific requirements - there is often 'bolt-on' support provided, eg a grant that requires coaching or mentoring support. Where ever possible, use should be made of existing programmes to deliver these ancillary interventions. This will improve efficiencies and significantly simplify the business support landscape. Eg. a food sector specific grant may be identified that requires coaching support - this can be provided by an existing coaching programme either as a discrete event within the delivery calendar or on a seat-by-seat basis. Some sector specific examples are also listed in listed in appendix 3

Where duplication is unavoidable, it would be desirable for there to be liaison between programmes to deliver consistent outputs and use of consistent delivery methods.

Provision of support

Based on the research outlined above a number of clear issues emerged which can be summarised as follows:

- ☐ There is a plethora of publicly funded business support available to small and medium sized businesses
- ☐ There are examples of key account management taking place of the most important strategically significant businesses
- ☐ Much of the support is focused on businesses seeking to start-up or grow
- ☐ Business support services are very fragmented with only limited evidence of a joined up approach, creating potential confusion for businesses
- ☐ There is no single point of access to business support, meaning company owners need to spend time searching for appropriate support
- ☐ There is a significant number of locally funded business support initiatives, many of which are sector specific (environmental technologies, manufacturing, construction, rural)
- ☐ The research has identified the complex nature of business support with multiple providers, signposting and access points, eligibility criteria, delivery mechanisms and delivery organisations, national, regional and local or individuals (for example Growth Accelerator and Growth Voucher coaches)
- ☐ The provision of, and access to grant funding is complicated and confusing – a summary of available grant schemes which includes a snap-shot analysis of some of the benefits, impacts and barriers is included as appendix 5 to this report. A separate, more detailed report on grant schemes is being commissioned by the Marches LEP.

This section identifies any areas of potential overlap between business support services that were identified through the Marches LEP Business Support research. The identification of these support services was completed in November 2014, based on desk research to establish what services were available to Marches LEP based businesses. In addition, the research was complemented by a number of interviews with businesses located in the LEP area and where those businesses identified additional support services, those were included in the scope of the activity.

The methodology for the desk research was based on the likely approach that would be taken by businesses seeking support, and included internet research and contact with key support agencies across the LEP area.

After the conclusion of the initial phase of research, we were made aware of a Business Support Guide, produced by the Department of Communities and Local Government that summarises support available to businesses through the 2007-2013 ERDF programme. This document contains details of in excess of 60 funded initiatives that are available to businesses across the Marches LEP area, of which a very small number are delivered by organisations located within the Marches LEP. Very few of these initiatives were identified through the desk research we conducted, and even fewer raised by respondents to our questionnaires or face to face interviews, suggesting that the level of take-up from businesses outside the area where the initiative is managed will not be high. As part of the evaluation of ERDF funded activities, questions should be asked to determine the geographic location of beneficiaries of ERDF funding services. The abundance of funded initiatives could indicate that the business support simplification agenda has not proved to be successful: however as is demonstrated below, there are not a significant number of services and initiatives that duplicate other support.

BUSINESS START-UP

Our research identified the following support services available to business start-ups within the Marches LEP area.

- New Enterprise Allowance
- Start-Up Shape Up
- Start Up Britain
- School of Start Ups
- Shell Livewire
- Start-Up Loans
- WIRE
- Young Telford

In addition, there is some limited support available to specific categories of start-up through the Prince's Trust (18-30) and PRIME (over 50). In recent years, Government appears to have reduced the priority around business start-up support, instead focusing much more of its activity around growth businesses.

The business start-up agenda has a very specific role to play in the development of an entrepreneurial economy. There is little duplication surrounding business start-up activity at present, with each initiative targeting different audiences.

The New Enterprise Allowance targets those who are unemployed or in receipt of certain benefits such as Jobseekers Allowance, Income Support or Employment & Support Allowance. A business mentor is allocated to work with the individual to review a business plan. If the business plan is approved, an allowance of up to £1,274 is paid over a period of up to 26 weeks.

Specific to the Marches LEP is the Start-Up, Shape-Up initiative, offering those seeking to start a business a range of business start-up training, supplemented by clinics and, in Herefordshire, taster sessions. This service is free to use at the point of access, benefiting from ERDF funding and the support of each of the local authorities in the LEP area.

Start-Up Britain and the School of Start-Ups were both launched by private individuals (Emma Jones and Doug Richards respectively). Both services were largely web-based, with input at a local level through a series of roadshows. The Start-Up Britain website, through Emma Jones, is also connected to Enterprise Nation which operates a marketplace through which companies can identify Growth Voucher coaches. Both these start-up initiatives appear to operate in a rather sporadic way, the web-sites are updated regularly, however on the ground support is piecemeal.

Shell Livewire has existed since 1982, operating an awards programme for entrepreneurs that comprises an element of financial reward and practical tips / advice through blog posts and its website. A business library on the website provides information for entrepreneurs and the whole programme is driven through the social enterprise arm of Shell.

To overcome the perceived financial barriers surrounding start-up businesses, the Department for Business, Innovation & Skills established Start-Up Loans, to provide mentoring, training and financial assistance to businesses that are within their first twelve months of trading. The average loan value is just over £5,000 and the majority of loans are provided to individuals up to 30 years of age. The programme is delivered nationally by The Start Up Loans Company and then delivered through its network of delivery partners. It seems that the most active in the area are Start Up Direct and Virgin Loans – little information is available on uptake across the region but the Start Up Hub led by Fay Easton reports impressive uptake figures of over £1.6m of loans made to 500 start-ups in 24 months.

Other business start-up services that are accessible by individuals residing in the Marches LEP area do exist. However, these are not always well publicised, and in some instances may only be available to specific target groups. For example, Prince's Trust Enterprise courses are available, subject to funding, as is support from PRIME, which supports those over 50. Many of these support services are almost hidden from view, and available largely only to those who are 'in the know', or who have access to the right contacts to ask.

Young Britain has recently delivered a programme (Young Telford) of support to young long-term unemployed in Telford with feedback from the council of good results. 40 new businesses have been started as a result of this programme (the target was 25) thus creating new jobs (it is unclear though whether these are full time or part time). The programme is not reliant on ERDF funding so is able to support those providing business-to-consumer services.

Business start-up is essential for a vibrant, growing economy. However, the start-up market is diverse, ranging from those businesses that are built from a hobby or specialist knowledge perspective, through to the high-value, high performing businesses that will create growth, employment and export opportunities in the future. The breadth of the support requirement around business start-up is therefore significant – one size does not fit all. There are many advantages to providing support to start-up businesses and it is thus recommended that the Marches LEP creates a **Business Creation Plan** that focuses on the specific requirements within the area of start-up businesses, and identifies the appropriate delivery mechanisms to achieve that support.

BUSINESS GROWTH

At a national level, Government has developed the www.greatbusiness.gov.uk website to act as a portal for business support. Categorised into three sections: start, grow and accelerate, support services and information around specific subject areas are available to businesses, with signposting to relevant services as appropriate. The promotion of this website to date has been relatively low key, with many businesses unaware of the site, or of the services available to them through this site. One of the challenges facing Marches LEP is how to encourage the take up of nationally available business support services, whilst simultaneously developing and promoting additional, complementary services that are relevant to business needs.

The most notable area of potential duplication for business growth activity resides with the national Growth Vouchers and Growth Accelerator services. There are some clear differences between the two services; notably that Growth Vouchers appear to be allocated almost on a 'lottery' basis, whereas Growth Accelerator utilises a network of Growth Managers to determine the potential benefits to a business and approve funding accordingly. For both services, companies must make a financial contribution towards the overall costs of the service: 50% or up to £2,000 in the case of Growth Vouchers and up to £3,000 for the Coaching phase of Growth Accelerator, dependent upon the size of the company.

The Growth Vouchers service targets companies that have not previously received support from Government services, and does not offer any form of follow on support, as is the case with Growth Accelerator through the Leadership and Management support, which can fund up to 50% of the cost of training and support for developing managers and leaders.

There are several business support initiatives that are available to Marches LEP businesses that are complementary, through which businesses can seek support across a range of business activities to contribute to their overall growth based plans. The complementary support services include: Manufacturing Advisory Service (for manufacturing and industrial companies: note this service is now part of the Business Growth Service suite of products), Design Leadership Programme, the UKTI suite of support services targeting export related companies, support from Innovate UK and the Intellectual Property Office to assist companies to protect new product and service innovations.

At the more local level, the business support services that have been developed and funded by the Marches LEP partner organisations have focused largely on the provision of services that will provide specific support to locally based businesses that address local issues. A clear example of this is the Optimising Business Broadband for Shropshire initiative, which encourages businesses to take advantage of the superfast fibre broadband that is being rolled out across the County.

Other specifically focused initiatives include the Redundant Building Grant to bring back into productive use redundant, rural buildings, with a specific focus on supporting those applications that will lead to the creation of jobs. With capital funding available of between £3,000 and £50,000 (at a 30% intervention rate), this support will in some instances bring forward projects that otherwise could not proceed due to a lack of funding, and will re-invigorate old buildings that may otherwise fall into disrepair.

For rural businesses with up to 49 employees, the LEADER programme offers grant funding if the applicant can demonstrate that their project will create or safeguard jobs, enhance turnover, benefit local communities or benefit businesses. Those businesses eligible to apply for LEADER funding (which becomes available in 2015) will also be eligible to apply for support through initiatives such as Growth Vouchers and Growth Accelerator, though those initiatives do not have the specific focus of the LEADER programme. Also targeting rural businesses that require loan funding, Impetus is a provider of finance for those businesses that struggle to secure funding from mainstream lenders.

A further source of potential funding for businesses is the Business Enterprise Fund which provides grants of up to £10,000 (50% match funding basis) for businesses across the LEP region. There are some notable exclusions from this funding which are not uncommon (land based businesses and retail for example).

For companies seeking to innovate, additional support may be available to them through Innovation Networks and Stimulating Innovation & Growth. Both these initiatives offer the opportunity for grant funding, collaborative working and specialist advice – companies may be able to access both for different projects but there is the potential to confuse companies in this area.

Other specialist support services that do not duplicate activity include METNET (an environmental and technology network) providing tailored guidance and support to companies that have an environmental focus, Green Bridge which provides grant funding is available to develop new markets, new products, skills development and the purchase of capital equipment within the green sector (it should be noted that this initiative is funded by ERDF and therefore will cease during 2015). To minimise confusion amongst businesses, there is scope for closer working between these initiatives (should the latter continue).

Construction companies in the Shropshire area are able to access support through the Shropshire Constructing Excellence network which provides peer group support and networking / development opportunities to businesses in this sector.

The skills sector has many initiatives that are funded through academical establishments, but within the LEP area, in addition to Leadership and Management support accessed following Growth Accelerator support, the Marches Graduate for Business project provides support for businesses seeking to engage graduates, in an effort to retain knowledge and skills within the area. The Marches Skills Providers Group has joined forces to deliver Skills Support for the Workforce, targeting companies with fewer than 250 employees to encourage them to train and develop their staff through a number of different support activities, including leadership and management, apprenticeships and level three training.

ERDF PROJECTS

There are some 60 projects targeted at businesses that receive financial support through the European Regional Development Fund (2007 – 2013 Programme) available to businesses within the Marches LEP area. During the period this research was undertaken, there was very little evidence available to support the fact these services were available to businesses in the Marches LEP area – with a few notable exceptions of those schemes that were developed at a local level.

The majority of these initiatives are focused on the provision of expertise and advice to SME businesses across the whole of the West Midlands, whilst additionally some provide access to grant funding. Several of the initiatives provide support into niche markets, and are therefore only suitable for a very small number of businesses across the region as a whole. A headline overview of these projects is detailed on appendix 4.

SUMMARY OF BUSINESS SUPPORT

Whilst there is some overlap between some of the national business support initiatives, the research has illustrated that there is little overlap between national initiatives and those developed at a local level to meet the more locally identified requirements of businesses. There is, however, a potential issue with those initiatives that have been developed at a West Midlands level and supported through the provision of ERDF. In those instances, it would appear that services have little visibility beyond the area in which they were developed, with little clarity around those services either within public sector business support providers or amongst businesses.

		Business Focus					Geographic Availability						Category of support available					Type of support		
		Pre-Start	Start	High Growth	Mature	Specialist Focus	Local	Regional	National	Herefordshire	Shropshire	Telford & Wrekin	Developing a new product or service	Making performance improvements and solving problems	Expanding your market	Business Start Up	Securing Finance	Exprertise & Advice	Grant	Equity or Loan Fund
1	Accelerating Business-Knowledge Base Innovation (ABIA)			x	x	x		x		x	x	x	x	X	X			X	X	
2	Accelerating Innovation in Mass Market Housing and Green Homes (AIM HIGH)			x	x	x		x		x	x	x	X	X	X			X		
3	Accelerating Local Growth			x				x		x	x	x	X	X	X			X	X	
4	Advanced Materials Programme			x	x	x		x		x	x	x	X	X	X		X	X		
5	Agile Office Project		x	x	x			x		x	x	x		X	X	X		X		
6	Assisted Technologies and Community Healthcare Development Project - Phase 2	x	x	x				x		x	x	x	x	x				x		
7	Birmingham Biomedical Innovation Hub	x	x	x		x		x		x	x	x	X	X	X	X	X	X		
8	BSEEN (Birmingham Skills for Enterprise and Employability Network)	x	x					x		x	x	x				X		X	X	
9	Built Environment Climate Change Innovations (BECCI)					x		x		x	x	x	X					X		
10	Business Enterprise Fund		x	x	x		x			x	x	x	x	x	x	x	x		x	
11	Business Innovation Programme			x	x			x		x	x	x	X	X	X		X	X	X	
12	Business is Great	x	x	x	x				x	x	x	x		x	x	x	x	x		
13	CASiM 2 : Centre for Advanced Simulation and Modelling for Manufacturing			x	x	x		x		x	x	x	X	X	X			X		
14	Centre of Refurbishment Excellence			x				x		x	x	x		x				x		
15	Characterisation Techniques (CHART)					x		x		x	x	x		X	X			X		
16	Classic Knowledge Transfer Partnerships (KEEN)			x	x			x		x	x	x	X	X	X			X		
17	Competitiveness Through Collaboration (Phase 2)					x	x			x	x	x	X	X	X			X		
18	Creative Digital Health Solutions					x		x		x	x	x	X	X	X			X		
19	Creative Enterprise	x	x	x	x			x		x	x	x	X		X	X		X		
20	Design Leadership Programme			x	x				x	x	x	x		x	x			x		
21	Digital Heritage Demonstrator Project					x		x		x	x	x	X	X	X			X		
22	Eco Business			x	x			x		x	x	x		X	X		X	X	X	

		Business Focus					Geographic Availability						Category of support available					Type of support		
		Pre-Start	Start	High Growth	Mature	Specialist Focus	Local	Regional	National	Herefordshire	Shropshire	Telford & Wrekin	Developing a new product or service	Making performance improvements and solving problems	Expanding your market	Business Start Up	Securing Finance	Expertise & Advice	Grant	Equity or Loan Fund
23	Enterprise 1830	x	x					x		x	x	x				X	X	X		X
24	European Bioenergy Research Institute					x		x		x	x	x	X					X		
25	Exploiting Servitisation in West Midlands SMEs					x		x		x	x	x	X		X			X		
26	Fibre Optics and Laser Sensing Technologies Phase 2					x		x		x	x	x	X					X		
27	GamesLab West Midlands					x		x		x	x	x	X					X	X	
28	Green Bridge Supply Chain			x	x	x	x			x	x	x	x	x	x	x	x	x	x	x
29	Growing Talent			x	x		x			x	x	x	x	x	x		x	x	x	x
30	Growing the Social Enterprise Sector in the West Midlands Phase 2	x	x	x	x	x		x		x	x	x	X		X	X		X		
31	GrowthAccelerator & MAS (Combined as "The Business Growth Service")			x					x	x	x	x	x	x	x		x	x		
32	Growth Vouchers			x					x	x	x	x	x	x	x	x	x	x		
33	Herefordshire Leader Programme		x	x	x		x			x				x	x	x			x	
34	HiTech Rail					x		x		x	x	x	X	X	X			X	X	
35	Human Interface Technologies Applied Research Centre					x		x		x	x	x	X					X		
36	Impetus Small Business Loan Fund		x	x	x		x			x	x	x					x			x
37	Innovate UK			x					x	x	x	x	x	x	x		x	x		
38	Innovation 1st		x	x	x			x		x	x	x	X	X	X	X		X		
39	Innovation Engine			x	x			x		x	x	x	X	X	X			X		
40	Innovation Networks			x	x		x			x	x	x	x				x		x	
41	Innovation University Enterprise Network			x				x		x	x	x	X		X			X		
42	Innovation Vouchers		x	x	x			x		x	x	x	X	X	X		X	X	X	
43	Innovative Product Support Services (IPSS)	x	x	x	x	x		x		x	x	x	X					X		
44	Intellectual Asset Management Programme			x	x			x		x	x	x		X	X			X	X	

		Business Focus					Geographic Availability						Category of support available					Type of support		
		Pre-Start	Start	High Growth	Mature	Specialist Focus	Local	Regional	National	Herefordshire	Shropshire	Telford & Wrekin	Developing a new product or service	Making performance improvements and solving problems	Expanding your market	Business Start Up	Securing Finance	Expertise & Advice	Grant	Equity or Loan Fund
45	Intellectual Property Office	x	x	x	x				x	x	x	x	x	x		x		x		
46	Interiors and Lifestyle Networks: Phase 2		x	x		x		x		x	x	x	x		X	X		X		
47	Leadership & Management			x					x	x	x	x	x	x	x	x	x	x		
48	Manufacturing Advisory Service			x	x	x		x	x	x	x	x	x	x	x	x	x	x	x	
49	Marches Business Support Project (START UP - SHAPE UP)	x	x	x			x			x	x	x			X	X		X		
50	Mercia Fund 1	x	x	x				x		x	x	x	X		X	X	X	X		X
51	METNET (Env & Technology Network)			x	x	x	x			x	x	x	x	x	x	x	x	x		
52	Metrology for Industry West Midlands					x		x		x	x	x		X				X		
53	New Enterprise Allowance	x	x						x	x	x	x				x		x		x
54	Optimising Business Broadband		x	x	x		x			x	x	x	x	x	x	x		x		
55	Performance Improvement Initiative (PII)			x	x			x		x	x	x	X	X	X			X		
56	Postgraduate Internship Project (PIP)			x	x			x		x	x	x	X	X	X			X	X	
57	PRIME West Midlands	x	x					x		x	x	x	X		X	X		X		
58	Promoting Biomarker Development in West Midlands SMEs					x		x		x	x	x	X					X		
59	Redundant Buildings Grant		x	x	x		x			x	x	x					x		x	
60	School for Start Ups	x	x						x	x	x	x				x		x		
61	Science City Energy Efficiency					x		x		x	x	x	X					X		
62	Serious Games Studio					x		x		x	x	x	X	X			X	X		
63	Shell Livewire		x						x	x	x	x				x		x		
64	Shropshire Constructing Excellence					x	x				x				x			x		
65	Skills Support for the Workforce			x	x		x			x	x	x		x				x		
66	SPEED Plus	x	x					x		x	x	x				X		X		

GOOD2GREAT
Realising the dreams of business owners…

		Business Focus					Geographic Availability						Category of support available					Type of support		
		Pre-Start	Start	High Growth	Mature	Specialist Focus	Local	Regional	National	Herefordshire	Shropshire	Telford & Wrekin	Developing a new product or service	Making performance improvements and solving problems	Expanding your market	Business Start Up	Securing Finance	Expertise & Advice	Grant	Equity or Loan Fund
67	Start Up Britain	x	x						x	x	x	x				x		x		
68	Start-Up Loans		x				x			x	x	x				x	x	x		x
70	Stimulating Innovation & Growth (Eureka)			x	x		x			x	x		x	x	x			x	x	
71	Sustainable Building Futures					x		x		x	x	x	X	X	X	X		X		
72	Sustainable Retrofit and Smart Grids					x		x		x	x	x	X					X		
73	Technology and Innovation Futures West Midlands					x		x		x	x	x	X	X	X			X		
74	The Early Advantage Fund	x	x	x				x		x	x	x	X		X	X	X	X		X
75	The Exceed Fund			x	x			x		x	x	x			X	X	X	X		X
76	The International Institute for Product and Service Innovation			x	x			x		x	x	x	X	X	X			X		
77	Transformation for Growth				x			x		x	x	x	X	X	X			X		
78	UKTI			x	x				x	x	x	x			x			x	x	
79	West Midlands Incubation Programme	x	x	x				x		x	x	x	X	X	X	X	X	X		
80	West Midlands Production Fund					x		x		x	x	x					X	X		X
81	West Midlands SME Internationalisation Project			x	x			x		x	x	x			X		X	X	X	
82	WIRE	x	x			x	x	x		x	x	x		x	x	x		x		
83	WS Business Loan Fund	x	x	x			x				x						X			X
84	Young Britain	x	x				x	x		x	x	x				x		x		

Issues relating to the provision of business support

From the research a number of issues were raised by respondents in relation to the efficiency and efficacy of engaging with Government funded business support. Below is a summary of our findings at each stage:

Initial engagement

Marketing/Communication with the target audience

There are two major considerations here:

1. Competition amongst providers. With so many initiatives it can often be confusing to businesses as to which is the most appropriate for them. As each of the providers has their own targets to achieve, whether they are public or private sector, it is difficult for them to give impartial advice to businesses and this is confusing to the end-user. There are many programmes that complement each other and ideally the customer would be given guidance on which are the most appropriate packages and in which order they should be taken. The best way to achieve this would be by conducting an appropriate independent evaluation of the needs of the business prior to engagement with a specific product or service, as stated elsewhere in this report..

2. Communication with the target market needs to be improved. There is a vast range of businesses and different forms of business support available and it is therefore necessary to consider carefully what are the appropriate communication channels for each of the specific end-user group? Different groups look for support in different places e.g. pre-start and early stage make greater use of social media whilst larger businesses are more likely to communicate directly with support providers whether these are public or private sector. Merely providing details of support on a website or by blanket emails is insufficient. The communication needs to be more targeted, segmenting customer database so that any communication is relevant.

Examples of this were clearly amplified by research respondents:

"Plethora of business support providers/ trainers touting their wares – there seems to be a lack of joined up thinking behind initiatives, providers and delivery mechanisms."

"Suppliers tend to focus on the features of the programme i.e. 'what it does' rather than the benefits i.e. 'what can it do FOR ME' and as a result fails to convince me as a business owner"

A couple of businesses had used the BIS website but primarily for documents relating to regulatory issues – one respondent added that this resource was only accessed due to previous work with Business Link.

Sector based support seems to be better understood, more relevant and better administered as it tends to have a better understanding of its members' needs.

Paperwork

The complexity of form filling effort and the opaqueness puts many businesses off applying, especially when the time involved seems to outweigh the perceived benefits or applicants' tenacity.

Excessive paperwork can be a major hurdle to businesses engaging with programmes. There is a requirement for documentation as public money must be accounted for by those administering the services, however, this should not be too onerous for businesses. There were requests from those businesses participating in the research for a central database so that once information has been recorded it should be simple to update. Currently if a business is applying for support it may be required to provide details of previous support, including the monetary value of any support received in the last five years. Several respondents to the research stated that they were often requested to provide similar information in order to access initiatives delivered by different providers: a central register accessible by all support providers could simplify this and reduce the administrative barriers to entry to business support for businesses.

"Needs to be headline detail about each initiative and what the criteria for rejection / acceptance are and what information will be required to complete the application form/ interview prior to commencement of application"

"Lack of clarity or understanding of what the initiative/ funded support is going to involve in terms of access, actions and outcomes – need to unpick "

Delivery of Programmes

Issues around delivery of programmes fall into five main areas:

1. Each intervention is seen as a one-off. Whilst much is made of 'signposting' companies to further support opportunities, this is not carried out in a consistent manner and often businesses having completed one programme are left to their own devices to find further support. Some businesses turn this into an art form and chase anything they can get whilst others are put off by the lack of guidance and slip out of the net.
2. Time scales are not always appropriate. Many interventions are required to be completed within a specific, often short, timescale. This can mean that the support is pushed in at too fast a rate to gain any traction within the business. Longer term interventions allow time for businesses to take on board the support, apply it and then review that support with the provider so that improvements can be embedded in the business.
3. Quality of provider. There is a significant variation in the quality of support provided and often businesses will complain that they find it difficult to identify the most appropriate coach/mentor/trainer. There is a

requirement to rank providers in terms of their functional or sector expertise as well as their ability to coach/train. An expertise in an area is not necessarily a guarantee that the individual is good at business support. A simple ranking mechanism should be considered.

4. Effectiveness and efficiency of programmes. Are the programmes flexible in their approach so that they can adapt to the specific needs of the customer business? There were several comments made by respondents that some programmes had already identified the remedy before they understood the businesses requirements.
5. Cash Flow. Although many programmes are funded much of this is on a matched basis and requires the business to pay for the total amount of the programme up front and then claim back their funding. This often has a detrimental impact on cash flow at a time that the company needs cash most to fund growth.

"Some initiatives seem to force a remedy regardless of diagnosis – need to consider spotting the gap or need and then ascertain best way to enter and remedy – common sense approach"

"Some businesses need initial support to prepare them to be 'support delivery ready'"

"The quality of the delivery can vary – some providers might be better salespeople than deliverers and matching mentors and trainers etc. is key – no one size fit all"

Administration

There are two key issues around this theme:

1. There are myriad providers of support from private sector, academic eg colleges, universities Chambers of Commerce, local and national government and each time a business applies for support there is a different body to deal with, each of which has different, albeit similar data capture requirements. This makes initial engagement difficult.

2. Picking winners: If there were standard measures for business KPIs before and after all interventions and this could be held in one central database then this would also allow for benchmarking and would enable the LEP to identify which businesses respond best to which programmes and allow greater support in these areas. It is important that sufficient timescales are allowed to measure the benefits of any programme. Improvements in GVA over base data after 3 months, 6 months and 12 months would make sense.

Developing Skills

Business support should be available to all businesses depending upon their need but there is an argument that it should not be dispersed evenly. Within business there will always be winners and losers, it is essential to spot the winners and provide them with the greatest support. One of the key statistics that drove the national Growth Accelerator programme was that **50% of all new jobs in the UK were created by the top 10%of SMEs**, therefore, supporting this group and the next 10% became a priority.

If the winners can be identified then greater support through account management, regular diagnostic reviews and relevant interventions can be provided.

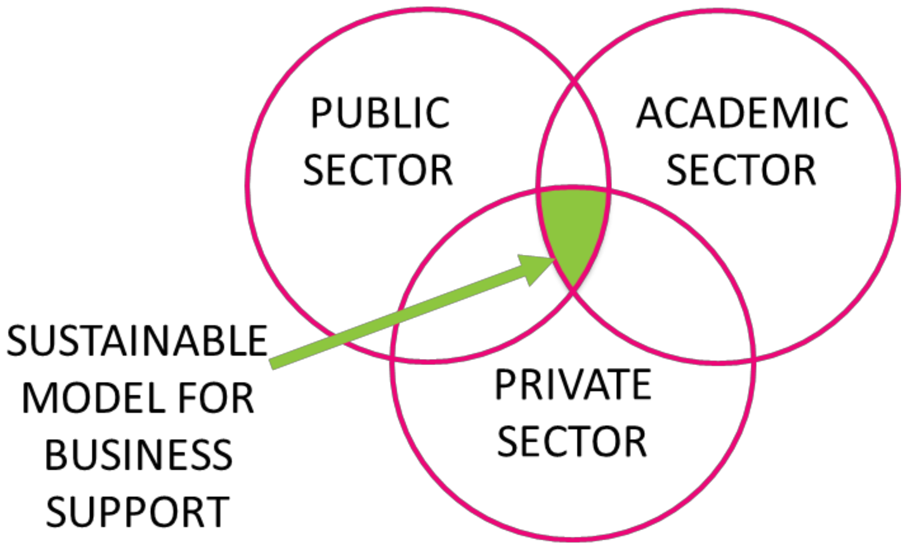
LEPs - A Role for Business Support

Much has been made in the development of LEPs of the fact that these organisations should be a marriage of the best of the private and public sectors and should be led by the private sector.

The rationale for this is that the private sector is seen as being 'more commercial' than the public sector whilst the public sector is 'more accountable' than their private sector counterparts.

What does this mean on a practical basis in terms of running business support within the Marches LEP and where does the academic sector fit within any model for business support?

Based on the findings of the research, it is safe to conclude that the optimum model for publicly funded business support should access each of these three distinct sectors.



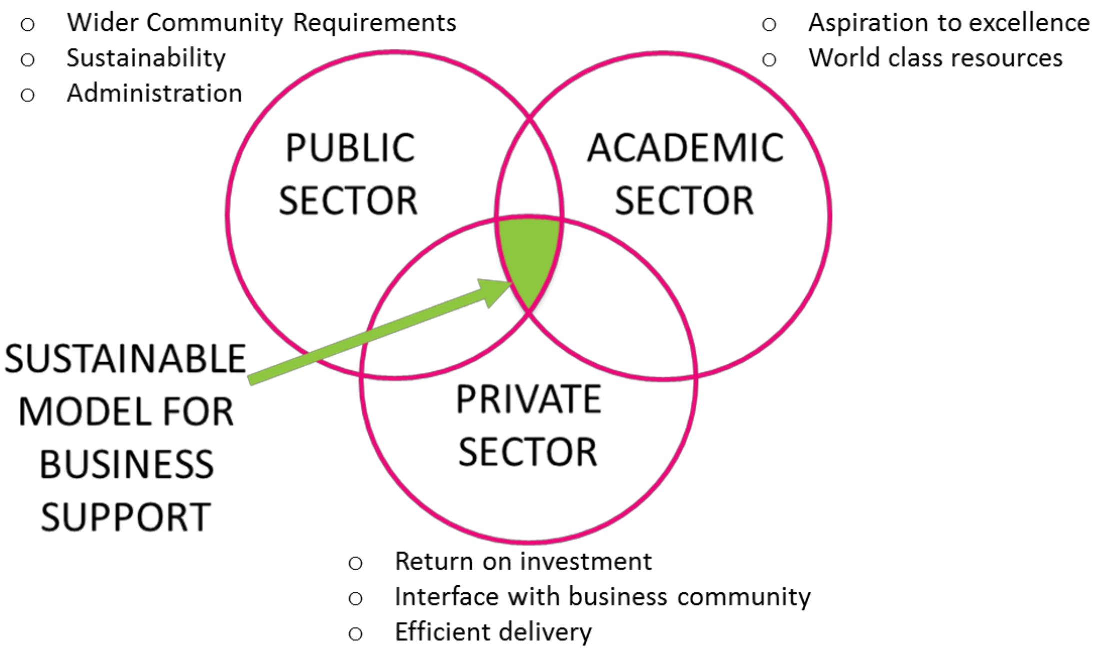
What drives each of these sectors?

The overriding requirement of private sector organisations to be successful is to be more efficient than their competitors in meeting their customers' needs. This requires rigorous research and planning to assess customer needs and their efficient delivery: these targets are reviewed regularly to ensure adherence to plan in terms of turnover, margin and other key performance indicators. If there is any deviation to plan, positive or negative, this is explored and action taken to maximise opportunities. As a result, the private sector can be described as DEMAND LED.

Public sector have to assess market-failure and plan what they are going to deliver, what resources they have available and then ensure that they execute these plans effectively in line with their original proposals to the funding body to address market-failure. They have to have robust systems in place to show that they have delivered their plan and spent their budget in line with that plan. Although initial plans are based on market failure if the proposed solution does not gain traction the programmes are not reviewed and acted upon with the same vigour as would be applied in the private sector, rather the programmes are pushed harder. As a result, the public sector can be described as evidence based but ultimately SUPPLY-LED.

The academic sector is driven by the pursuit of knowledge and to this end, outcomes are not defined by their success or failure but rather by the lessons learnt. Additionally, as a result of this the pressures are significantly different from the other sectors in terms of delivery within set timeframes. As a result, the academic sector can be described as KNOWLEDGE LED.

If each of the different sectors (Public, Private and Academic) have their own priorities how can this best be developed to provide an optimum model for business support?



Private Sector- with its focus on customer service will hold programmes accountable for efficient delivery of outcomes, focusing on GVA (gross margin, jobs created and depreciation on increased investment). The private sector can also advise on best methods of communicating with the business community.

Public Sector – will provide a balance to the private sector, with high quality accountability, looking at benefits to the wider community and the sustainability of programmes. They also provide the resource to effectively administrate programmes on a Marches LEP basis

Academic Sector – with its freedom from short-term pressure for return on investment can encourage businesses to aspire to excellence rather than placing too great an emphasis on a series of short-term objectives. They also provide world class resource available to business without these businesses having to take on the overhead burden associated with these resources

Recommendations

There is a concern that within the current system there are clear winners and losers

Winners:

- ☐ People who engage with business support and build relations with providers.

  " the same old faces apply for one thing after another"

- ☐ Typically SME, but not micros as they are often too busy to research support available.

- ☐ Those wishing to start a Business to Business (B2B) business

Losers:

- ☐ Business to Consumer (ERDF funding is not available for this sector)

- ☐ Land based businesses (ERDF funding is not available for this sector)

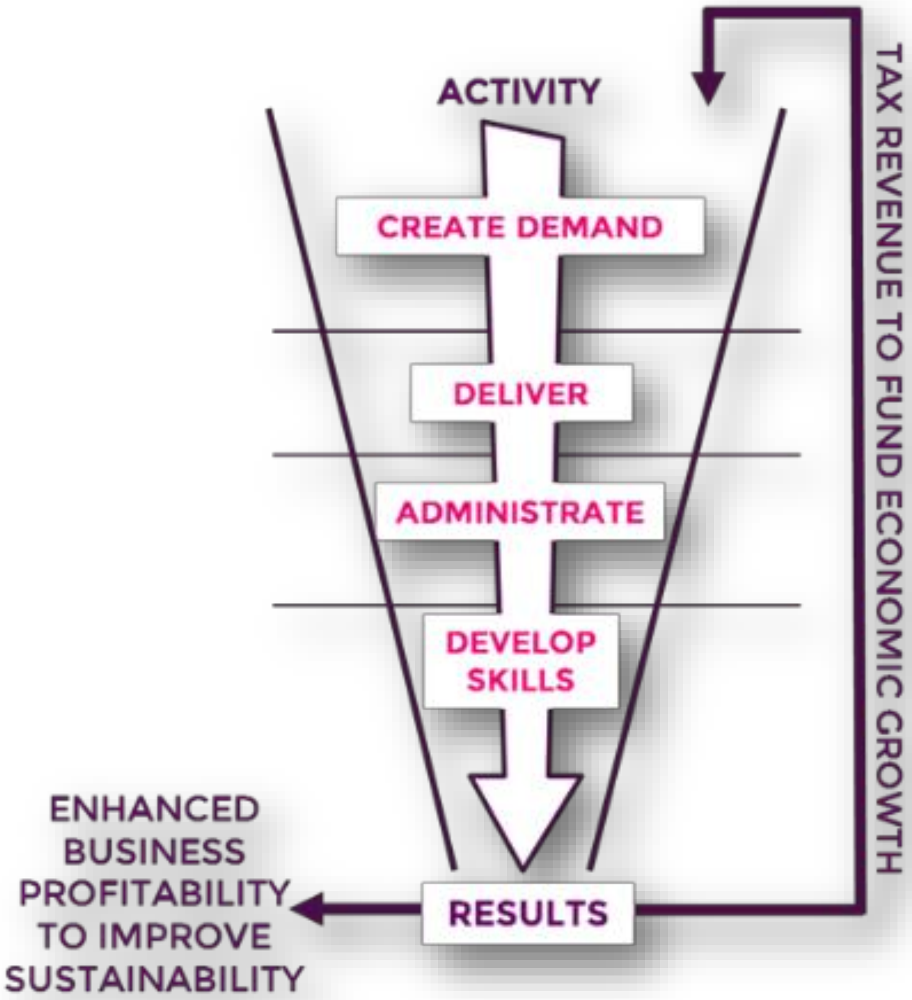
- ☐ Mid-Sized Businesses – the 500-1000 staff band miss out – the super mid-weight! This is the sector that we are recommending for 'Super Account Management' Although there are examples of this taking place there were comments from high profile mid sized businesses that this was not always the case and improvements could be made. .
- ☐ Micro-businesses

Through the research, it rapidly became very clear from the feedback from businesses that irrespective of whether they were 'winners' or 'losers' in relation to their ability to access business support, those businesses have very clear requirements. Their 'wants', however, may not always be the same as their 'needs', and this highlighted a lack of consistent diagnostic model.

A Model for Support

It can be seen from the summary findings of the research, above, that there are challenges around several key stages in the process of providing business support. These challenges can be illustrated using the following model

Fig. 7



Source: Based on the ADVANCE2™ Success Planning Process

Stage 1 Create Demand

This is simply a commercial strategy for business support in the Marches LEP. It is envisaged that products (programmes and services) are developed in line with customer demand and within agreed budgets.

If we take figure 5 (contribution by size) and figure 6 (COST TO SERVE model) together we can look at developing an efficient commercial strategy for the region.

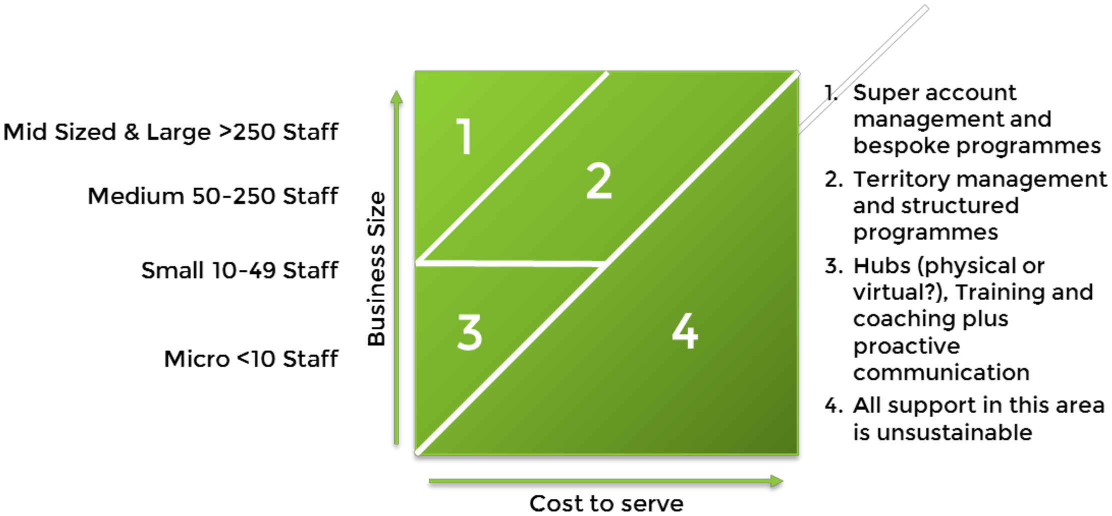
Fig.5

CONTRIBUTION BY SIZE TO REGIONAL TURNOVER AND JOB NUMBERS	Number of Enterprises	Estimated average turnover per enterprise (£'000s)	Estimated total turnover by size (£Bn)	Estimated average employees per enterprise	Estimated total employment by size
SME <£25m turnover	**28,230**	**348**	**9.83**	**3.4**	**95,374**
Micro <10 Employed	25,490	135	3.44	1.4	34,870
Small 10-49 Employed	2,400	1,500	3.60	14.8	35,568
Medium 50-250 Employed	340	8,200	2.79	73.3	24,936
Mid Sized >250 Employed	**90**	**36,000**	**3.24**	**259.7**	**23,372**
TOTAL	28,320	461	13.07	4.2	118,746

What this tells us:

- Although the numbers of business in each size category varies massively the differences in total contribution to employment and regional turnover by each size category is much less pronounced
- Engagement with each category requires a different approach

Fig. 6



Cost to serve explained: One hour spent with a mid sized business will have an impact on 0.275% of the areas turnover, whereas 266 micro businesses would need an one hour investing for the same impact.

‘A’ class companies (Medium SMEs and Mid-Size enterprises) deserve significant support because of their individual impact on the local economy. We can see from figure 5 that these 90 enterprises are responsible for 25% of the region’s turnover and the largest 430 companies are responsible for 46% of the Marches turnover. Strong account management of these businesses is justified. This account management goes far beyond business support in terms of coaching and training. Account managers should be developing relationships to the extent that they are seen as being strategically important to the customer. Medium and long term plans should be shared so that the LEP can provide support in terms of planning and infrastructure as well as Coaching and Training. Annual plans and budgets should be agreed, linked directly to return on investment (ROI) for the companies and the local economy using Gross Value Added (GVA) as a key performance Indicator (KPI) and these should be regularly reviewed to ensure the relevance of any programmes. Currently business support initiatives are not always seen as successfully engaging with this critical group. It should be noted that although account management of this group does take place as well as business ambassador programmes there was still evidence that there are gaps.

“Engagement with businesses needs to be wider but more cohesive and consistent (controlled) – sometimes it feels that government funded Business Support is too focussed on getting “bums on seats” rather than strategic one-to-one engagement”

“Public funded business support is not targeted at big companies it is focussed on small businesses because there are so many of them- it’s an issue of scale”.
Director – Mid Sized Business

Note: Interestingly, this business had received support from UKTI and employed numerous apprentices, but did connect these interventions to Public Funded Business Support”

Super Account Management

Providing this level of support requires high calibre account managers and strong proactive management of this resource is essential e.g these managers cannot be pulled away from their core role to work on ‘ad hoc’ projects. Individuals engaged in this area should have an excellent understanding of proactive account management and customer service. Who provides this service and where they sit within the local authority is not tackled in this report.

This type of intervention is represented by segment 1 in the ‘Cost to Serve’ model (fig 6).

This service would be best delivered as a Marches Wide Service covering the three authorities as businesses of this size often have interests in more than one council area.

A budget would need to be set aside for this and should be based on the following assumptions:

- Potential target market = 90 businesses
- Uptake of 20% = 18 businesses
- From previous experience, utilising efficient systems each 'Super Account' Manager should be able to manage/support up to 20 concurrent clients. It is likely that the calibre of person required would command a £60 to £70k pa package

Some 'A' Class clients do not require the same level of 'hand-holding' intervention but may still be happy to meet on a regular basis to share plans and discuss shared initiatives. This group is represented by segment 2 in the 'Cost to Serve' model (fig.6)

There is evidence from this research to suggest that those businesses that have received 'face-to-face' advice, guidance and support value those interventions more highly than those interventions delivered through a website or telephone call.

> *"We simply don't have the time to search around for support and trawl the million websites that contain baffling lists of things that may or may not be right for us – so it was great when XXXX came to see us, they got it straight away and seemed to understand what we are all about and what support would really help.*
> *They even completed the paperwork with us there and then!"*
> *Anon - Shrops*
>
> *"We turn over £8m and that brings all sorts of pressures – I just haven't got time to research what support is best to suited to our needs. I just needed someone to come in and give us guidance to what's out there and whether we can access it."*
> *Anon - Telford*

Low Cost-to-serve Models

Efficient use of resources means that this level of account management is not appropriate for the 27,890 enterprises that make up the remaining 54% of the Marches turnover. This level of support would fall into segment 4 of the Cost to Serve model (fig.6) and is, therefore, unsustainable.

This group (micro and small) must be engaged through efficient, targeted communication, making use of resources such as robust social media and email based campaigns. Programmes need to be generic and often delivered one to many, through use of workshops and masterclasses or via web based programmes. This group is represented by segment 3 in the 'Cost to Serve' model (fig.6)

In order to keep overall 'costs to serve' down, greater collaboration with national programmes should be encouraged. For instance the newly formed Business Growth Service will have access to significant funds and it is important for the Marches LEP to engage effectively with this national programme to ensure that businesses within the region are suitably supported. Programmes complementing rather than competing with each other.

> *"Pera Consulting has been delivering one of DEFRA's Rural Growth pilots in Warwickshire. This programme has provided high value coaching and advice to support rurally located SMEs and stimulate the launch and early stage development of rural start-ups. The project has been a significant contributor to sustainable development of local rural economies. Its format and potential to drive high value economic impact in rural communities would potentially lend itself to EAFRD funding in The Marches"*
>
> *Ron Flounders, Commercial Director, Pera*

Stage 2 Delivery

Ongoing support should be given to businesses providing that they achieve their targets. This delivery would ideally be guided through one central point, see section on Administrate re 'business support portal'. Although it is seen as a virtue to 'signpost' businesses to other forms of support this is often seen as lazy by companies and therefore reduces the take up. When it is suggested that businesses contact other organisations, the day to day pressures within those businesses means that often, those follow up actions are not taken.

> *"...the programme suggested that a minimum of three clinics of one hour should be provided per purchased day, the target for payment was number of days worked rather than number of clinics undertaken. At its worst it actually rewarded inefficiency and penalised efficient management of resource"*

> *"A recurring theme is that often businesses don't know what they don't know. When they ask for help at best it is to sort out a symptom rather than the source of the problem and at worst it is just plain the wrong thing to do"*

To improve the efficient delivery of these programmes a smarter remuneration method should be used, paying by output rather than days delivered.

In all instances any work undertaken should be preceded by an initial diagnosis of a business to establish their real needs.

The data from this diagnosis should be retained centrally, and accessible to those organisations that engage with the company, thus ensuring the company does not have to repeat the information on multiple occasions, to different providers, to move the business forward.

Stage 3 Administrate

The public sector has a long proven track record of providing robust and accountable administrative support and this is where their greatest input can be made. There is, however, opportunity to improve the cohesive nature of this support.

Currently there is no record of a 'business's journey' through business support.

Each intervention is dealt with individually and there is no data to suggest whether businesses that benefitted from product 'A' saw their results improve further if they also took product 'B' or 'B and 'C' etc.

Whilst it is recognised that there may be difficulties in data collection due to requirements of complying with the Data Protection Act, if these could be overcome, with the agreement of participating companies, then the benchmarking data that could become available through a single point of contact would have an enormous impact on the outcomes of business support. Processes to map the efficacy of individual programmes compared to others or when run as part of a programme of interventions would provide great evidence for account managers to show the benefits of support to their customers.

> *"…if you could identify which small business will, in 20 years time, be to Dublin what Starbucks is to Seattle, how much support would you give them?"*
>
> *This question posed to the Irish Food Board (Bord Bia)*
>
> *Answer – "…almost limitless – but how do we know who they are?"*

The question posed to the Irish Food Board is just as relevant to the Marches and the answer is to track the development of businesses of business through a central database and to channel support to the winners.

The Marches Business Growth Hub Model

The Marches Business Growth Hub Model (Appendix 6) has been designed with the following key objectives in mind:

1. Generation of leads into a pipeline. This has been split into two distinct sections:
    - Proactive via Account Management or via existing service providers to identify high growth opportunities
    - Reactive from website enquiries or incoming calls to LEP Growth Hubs or local authority business support teams. These could be 'high growth' or maintenance' businesses and this will be determined quickly in step 2
2. Diagnostic tool to establish the businesses actual needs as opposed to the owners/MD's perceived needs.
3. Provision of the most relevant, effective and efficient support programmes tailored to a business's current needs based on the following criteria (established at the diagnostic stage):
    - Business Size
    - Business age (years in existence)
    - 'High Growth' (potential and desire) or 'Maintenance'
    - Current skills gap
4. Efficient use of limited resources (availability of funding and business' time allocated to training)
5. Flexibility of delivery via the ongoing review of programmes
6. Closed loop to ensure businesses stay within the support system. All programmes are only deemed as complete when the beneficiary undertakes a further diagnostic report and customer feedback form to ensure that the programme has achieved its objectives
7. This feedback is used for Programme review of Outputs vs Targets with consistent unit of measure e.g GVA (Gross Value Added) which allows for measuring efficacy of programmes as well as identifying and backing the winners (programmes and companies)

Outcome of 'end of programme' diagnostic will highlight future support requirement so that dates for next intervention can be agreed and diarised

Conclusions

There are a lot of good initiatives for business support in the Marches LEP region. The view from businesses that had received support was that they were generally satisfied. However, there is also a widely held view by those very same businesses that the provision of business support within the Marches LEP, and indeed the wider UK economy, is disjointed, disparate and often with competing services all calling on business owners to sample their programmes. The emphasis appears to be one of 'product pushing' rather than engaging with businesses to fully understand their needs so that comprehensive growth plans can be developed, implemented and monitored to ensure that all individual interventions are effective and lead seamlessly to continued support.

In this report we discussed the different primary objectives of public and private sector. Private sector being overwhelmingly demand-led, responding to market forces by meeting customer needs in an efficient but flexible manner whilst public sector is more supply led looking to see which customers can best make use of programmes that have been approved and how can this be delivered in a manner that is transparent and in line with agreed protocol.

It would be our recommendation that, whilst being aware of many of the conditions placed on public funded support, a private sector demand-led philosophy should be adopted in terms of stage 1, 2 and 4 of Figure 7,. above whilst stage 3 would fall more under public sector. Delivery of the stages can be by individuals from public or private sector, it is the over-riding philosophy that prevails at each stage that is important. Resourcing would come from all three Sectors.

In addition to this, all of the above points to a requirement for:

1. Central database tracking the business journey over short, medium and long term.
2. Independent diagnostic tools to match need with solutions
3. Account management to link businesses with programmes
4. A low cost to serve engagement model for micro and small businesses
5. Ranking of providers and their programmes
6. Virtual and physical hubs appropriate to the urban powerhouse and context
7. Flexibility within programmes to respond to market demand to refocus delivery based on results.

Appendices:

APPENDIX 1: Background and Terms of Reference

This study was commissioned by Telford & Wrekin Council on behalf of the Marches Local Enterprise Partnership (LEP) in November 2014.

Over recent years, the delivery of what can broadly be defined as 'business support' has become increasingly confused, with public and private agencies delivering often competing programmes of support at both a national and local level. The overcrowding of the business support landscape results in confusion for businesses, but also a waste of resources when agencies seek public funding to deliver competing schemes that often struggle to deliver meaningful outcomes.

Government has recognised this problem and is encouraging LEP's to streamline business support activity through the development of Growth Hubs, which will be expected to integrate national support (as delivered through the Business is GREAT campaign) with strong, locally tailored activity. The European Structural Funds Programme (2014-20) will direct significant funding into business support, research and innovation and if this is to be used to support strong economic growth across the Marches it is vital that support is rationalised and simplified so that businesses benefit from seamless support that meets their changing needs and demands.

The key research activities undertaken included:

1. Based on the recent delivery experience of the authors, supplemented by interviews with businesses across a range of sectors and at different stages of growth, established:
    i) What elements of business support and what methods of delivery have worked well for businesses from pre-start to high growth, what gaps exist and what have been the barriers to businesses accessing relevant business support;
    ii) What has been the level of take up of grant schemes by businesses of all sizes and across all sectors - what has been the average award size, what have the outputs of funding been, what have been the barriers to businesses accessing grant funding;
    iii) What the future need and demand is likely to be for specialised research and development support;
    iv) The need and demand for higher value grants to support business growth and expansion or research and development.
2. Mapped all delivery agencies and business support (including grant funding support) currently available to businesses across the Marches, including any sector specific support and support for the retail sector

(business to consumer). This includes innovation support for high growth businesses as well as support to pre-start ups.

3. Mapped provision of business incubation space (from hot desks to incubation grow on space) across Herefordshire and Telford & Wrekin.

This commission also required the authors to make recommendations for the future delivery of business support across the Marches to allow for flexible and tailored support to be offered that is capable of adaptation to meet the changing needs of business. These recommendations should be made in the context of the restrictions and limitations of European funding and should where applicable make reference to examples of successful business support delivery regionally and nationally. Where the consultant feels that opportunities for cross-LEP collaboration in business support activity exist, these should be highlighted.

GOOD2GREAT has been appointed to complete the study and due to its knowledge of the local, regional and national business support landscape and its extensive and recent experience of delivering business support across a range of sectors and to businesses at all stages of growth (including pre-start and high growth).

APPENDIX 2: Methodology

The initial desk research and qualitative research was out-sourced to professional and independent researchers with the skills to produce unbiased and therefore independent sets of raw data. The reason for this was in recognition of GOOD2GREAT's possible pre-conceptions in this area. The desire was to take an open approach (phenomenological) and avoid the temptation to develop hypothesise and then seek evidence to prove them.

The project has been approached in two parts:

- **Research and Analysis**

  Four research methodologies were adopted with a mixture of quantitative and qualitative methodologies. These were:
  - Desk research
  - Qualitative interviews
  - Quantitative questionnaires
  - Stakeholder focus group

    Output from the research is presented in tabular format as much as possible with quotes or specific examples included to provide context or further explanation.
- **Choice and Recommendations**

  Analysis is summarised with a heading "what this tells us" next to each table. Throughout the report there are recommendations made which are summarised in appendix 2

Four Research Methodologies

1. *Desk Research*

Sources:

Desk Research was completed using internet searches as well as earlier reports commissioned by the individual authorities and the LEP plus published data sources such as census, Office for National Statistics, BIS, Companies House and the BCC Economic Survey.

Analysis:

The analysis of the data was completed with the key findings presented in tables throughout this report. There has been extensive cross referencing of data from different sources so care has been taken to ensure the integrity of the source data to maintain rigour.

Limitations:

There are a number of occasions where a broad assumptive approach has been taken by extending a trend that has been reported at say a regional level and then applying that trend to a more local level. Where these assumptions have been made, it is very clearly stated that further analysis would become flawed, however the themes highlighted in this way can be taken as reliable data to the level of analysis completed.

On occasion the data leaves an "unanswered question". Where this is the case it is made clear that further research would be required into this area, however conjecture is used to make assumptions, again where this occurs it is clearly stated and no detailed recommendations would be made on the basis of these assumptions.

2. *Qualitative Interviews*

Broadly speaking, the purpose of the qualitative interviews was to capture the views and opinions of a broad range of members of the business community across the area to identify recurring themes and strongly held views.

The questionnaire:

The initial questionnaire was very broad and was developed by the independent researcher to explore the respondents' views on the area of Business Support in general. The interviewer was then able to let the conversation flow thus allowing the respondents to express their views openly. Interviews, therefore, varied in length from between twenty minutes and an hour.

The respondents:

The choice of respondents was made to ensure a broad range of variables were covered. This was mapped out in a grid (below) where a respondent, represented by a number, can appear in multiple boxes thus ensuring views have been captured from across the business spectrum.

	Herefordshire	**Shropshire**	**T&W**
Small	30	5	28
Med	32,33	4,10,27	3,17
Large		13,20	13,20
New		27	28
Mature	30,32,33	4,5,10,13,20	3,13,17,20
B2B	30,32,33	5,10,13,20	3,13,20
B2C	32	4,27	17,28
Engaged	30,32	5,10,13	13,17,28
Not Engaged		4,20,27	3,20
Education		7	6
Business Support	2,8	1,4,5,8	1,3,8

Analysis:

Each interview was written up by the researcher as a 'long-hand' document. These were then analysed to pick out themes or strongly held views. These were then used to develop the quantitative questionnaire.

3. Quantitative Questionnaires

The purpose of the quantitative research was to act as a validation stage for the qualitative research to find out how commonly occurring and significant the themes are that were identified and to discover how widely held the views were that were expressed by the respondents.

The questionnaire:

The questionnaire was created online for the purpose of flexibility so responses could be gained from a broad range of people. The questionnaire was completed either by the respondent directly online or by a researcher during a telephone interview.

The respondents:

624 successful telephone calls were made to businesses across the area

52 people agreed to be interviewed and the interviews lasted between ten and thirty minutes.

5,989 questionnaires were distributed by email to the GOOD2GREAT database of businesses which includes a broad spectrum of contacts.

The database was also distributed by the following organisations to their contacts:

- Chambers of Commerce in Shropshire and Herefordshire
- Federation of Small Business in Shropshire and Herefordshire
- The Business Support Teams of the three authorities

The questionnaire was also shared through social media channels (Twitter, Facebook and LinkedIn).

Analysis:

In total 69 questionnaires were completed and detailed analysis completed to capture trends.

The sample was also analysed to ensure its validity and that it represents a broad spectrum of businesses.

Comments to support the findings were also captured and are included where appropriate throughout the report.

4. Stakeholder focus group

A stakeholder event was held where thirty people were invited to attend with eight actually attending. There was a good cross section from various stakeholders including LEP Board member, each of the individual business support teams, Chambers of Commerce and other business support providers.

The initial output was presented and members were given the opportunity to interrogate the findings and ask questions for further analysis.

They were then put into groups to work on the following four questions and present their thoughts on best solutions in light of the findings presented to them. The four questions were:

- ☐ How do we improve initial engagement (marketing)?
- ☐ What steps can we put in place to remove barriers (conversion)?
- ☐ How should we manage the journey & measuring benefits?
- ☐ How do we joining it all together?

The outputs from these groups has helped shape the recommendations included in this report.

APPENDIX 3: Segmented Support Framework

Business Profile & Focus of Support	Requirement	Solution
Pre Start Support	How to write a business plan	Face to face; mixture of workshops, training courses and 1 to 1 support.
Target: Individuals	Sourcing business premises	High quality online content/materials
Focus: Exprertise & Advice	Test your business idea	Sign posting to services available
	Sources of finance available	
	Financial planning	Newsletters and updates
	Market research and positioning for startups	
	Use of ICT in business	**Contact Management**
	Personal readiness for entrepreneurship	Initial registration of individuals and ideas on CRM System
	Starting a social enterprise	
	Risk management (legal, H&S, Tax etc)	

NOTE: This table should be seen only as a start point for further development rather than a final recommendation.

Business Profile & Focus of Support	Requirement	Solution
Start Up and Early Stage Support	Business plan/strategy development	Newsletters and updates Face to face; mixture of workshops, training courses and 1 to 1 support.
Target:	Securing start up and innovation funding	
<10 Employed		
Focus:	Business management & administration	Master-classes
Exprertise & Advice		High quality online content/materials
Grant	Successful marketing	
Equity or LoanFund	Successful selling	Business incubation services
	Digital marketing & Web site development	Access to apprentices/graduates
	Recruiting and developing staff	Grants for starter rent
	Risk management (legal, H&S, Tax etc)	Access to proof of concept funding
	Product / process development	
	Internationalisation – new market access	**Contact Management**
	Assistance for starter premises	Proactive opportunity development including signposting
	Reporting & review process (inc KPIs)	Performance tracking

NOTE: This table should be seen only as a start point for further development rather than a final recommendation.

Business Profile & Focus of Support	Requirement	Solution
Established Micro Businesses	Business sustainability planning	Seminars and Networking Opportunities
	Advice on new opportunities/markets	Newsletters and updates
Target:		High quality online content/materials
<10 Employed	Marketing and sales advice	
Focus:		Grants & Loans to support efficiencies
Exprertise & Advice	HR, Legal & Finance Advice	
Grant	Becoming more efficient & reducing costs	Grants & Loans to support green agenda
Equity or LoanFund		
Networking	Organisation, reporting & review process (inc KPIs)	
	Reporting & review process (inc KPIs)	**Contact Management**
		Proactive opportunity development including signposting
		Performance tracking

NOTE: This table should be seen only as a start point for further development rather than a final recommendation.

Business Profile & Focus of Support	Requirement	Solution
High Growth Micro Businesses	Identifying & prioritising new opportunities/markets	Business growth coaching Leadership & management training
	Digital marketing & Web site development	
Target:		Masterclasses
<10 Employed	Diversification	Technical training - eg online marketing, production efficiency etc…
Focus:	Exporting & internationalisation	
Exprertise & Advice		
Grant	Leadership training	Seminars and Networking Opportunities
Equity or LoanFund	New product development	
Networking		Newsletters and updates
	Finance for growth, technology transfer and innovation	High quality online content/materials
	Becoming more energy efficient & reducing costs	Enabling grants
		Support with access to finance
	Identifying a strategy for growth	
	Identifying supply chain opportunities	
	Improving the competitiveness of supply chains	
	Premises location – expansion	
	Recruitment and HR support	
	How to access new finance streams	
	Product, process and service innovation	
	Business model development & automation	
	Access to apprentices/graduates – matching service	

	Grants to support businesses relocating into the area	
	Grow your export market	**Contact Management**
	Financing and planning business growth	
	Sources of finance	Proactive opportunity development including signposting
	Innovation	
	Reporting & review process (inc KPIs)	Performance tracking

NOTE: This table should be seen only as a start point for further development rather than a final recommendation.

Business Profile & Focus of Support	Requirement	Solution
Established Small & Medium Businesses	Business sustainability planning	Seminars and Networking Opportunities
	Advice on new opportunities/markets	Newsletters and updates
Target:		High quality online content/materials
10-49 Employed (Small) & 50-250 Employed (Medium)	Marketing and sales advice	Access to training
	Leadership advice	
Focus:	Becoming more efficient & reducing costs	
Exprertise & Advice		**Contact Management**
Grant	Skills Gap Analysis	
Equity or LoanFund	HR, Legal & Finance Advice	
Networking	Organisation, reporting & review process (inc KPIs)	Proactive opportunity development including signposting
		Performance tracking

NOTE: This table should be seen only as a start point for further development rather than a final recommendation.

Business Profile & Focus of Support	Requirement	Solution
High Growth Small & Medium Businesses	Identifying & prioritising new opportunities/markets	Business growth coaching Leadership & management training
Target:	Digital marketing & Web site development	Masterclasses
10-49 Employed (Small) & 50-250 Employed (Medium)	Diversification Exporting & internationalisation	Technical training - eg online marketing, production efficiency etc…
Focus:	Leadership training	Seminars and Networking Opportunities
Exprertise & Advice	New product development	
Grant		Newsletters and updates
Equity or LoanFund	Finance for growth, technology transfer and innovation	High quality online content/materials
Networking		
		Enabling grants
	Becoming more energy efficient & reducing costs Identifying a strategy for growth	Support with access to finance
	Identifying supply chain opportunities	
	Improving the competitiveness of supply chains	
	Creation of specialist sector networks	
	Recruitment and HR support	
	How to access new finance streams	
	Product, process and service innovation	
	Business model development & automation	

	Access to apprentices/graduates – matching service Grants to support businesses relocating into the area	
	Grow your export market Financing and planning business growth	
	Premises location – expansion	
	Sources of finance Sourcing of skilled workforce	**Contact Management**
	Change management Innovation	Proactive opportunity development including signposting
	Organisation, reporting & review process (inc KPIs)	Performance tracking

NOTE: This table should be seen only as a start point for further development rather than a final recommendation.

Business Profile & Focus of Support	Requirement	Solution
Mid-Sized And Large Companies **Target:** >250 Employed **Focus:** Long-term relationship & needs driven support	Planning application support Rates negotiation & incentives Skills forecasting, development and recruitement Infrastructure support Trade missions Corporate Social Responsibility (CSR) Grants & incentives for capital investment	Super account management - building on current best practice and ensuring a streamlined mode of engagement for these strategically critical organisations.

NOTE: This table should be seen only as a start point for further development rather than a final recommendation.

Business Profile & Focus of Support	Requirement	Solution
Sector Specific Support – Manufacturing		
Sector Specific Support – Rural Businesses		
Sector Specific Support – Hi Tech & ICT		
Sector Specific Support – Food		
Sector Specific Support – Medical		
Sector Specific Support – Environmental		
Sector Specific Support – Heritage		

APPENDIX 4: Summary of ERDF Funded Schemes Available in Marches LEP Area:

1. **Accelerating Business – Knowledge Base Innovation (ABIA)**
   Operated by the University of Birmingham, this collaborative project provides companies with access to short term consultancy through to long term collaborative Research and Development to expand existing markets, develop new products, manage performance improvements and identify the best methods for collaboration.

2. **Accelerating Innovation in Mass Market Housing And Green Homes (AIM-HIGH)**
   Led by Birmingham City Council, this is a low carbon project helping businesses to develop innovative technologies based on energy efficiency in the housing market. The project focuses on developing appropriate consortia for businesses to develop and enter the environmental technologies market.

3. **Accelerating Local Growth**
   Led by Bournville College, this service targets SMEs established for more than 6 months by designing and delivering bespoke solutions including intensive tailored support, one to one coaching and mentoring, specialist business development support, workshops, peer-to-peer group learning and network events. Grant funding of up to £10,000 (matched by the company) is available to assist with modernisation and diversification activities.

4. **Advanced Materials Programme**
   Led by the Universities of Warwick and Birmingham, this initiative covers materials synthesis, analysis and characterisation, processing and device fabrication, with expertise in both nano and bulk functional materials and processing. The equipment and expertise are available to business in the materials area.

5. **Agile Office Project**
   The University of Wolverhampton is championing this project to assist SMEs to use cutting edge ICT technologies including remote collaboration, cloud based software, mobile working and video conferencing in a state of the art demonstration centre, open for SMEs to access.

6. **Assistive Technologies and Community Healthcare Development Project – Phase 2**
   Coventry University has championed this service to provide innovation support to the development of community healthcare products in the form of product design or the evaluation of products with end users from the target market through usability studies to support proof-of-concept and ongoing design and development.

7. **Birmingham Biomedical Innovation Hub**
   Led by Birmingham University, this service provides access to a biomedical laboratory to develop early stage technologies. The primary focus is on graduates of the Universities in the region although facilities are open to all.

8. **BSEEN - Birmingham Skills for Enterprise and Employability Network**
   Developed as a partnership led by Birmingham University, this project provides individuals starting a business with intensive start-up training over two days, advice on registering a business, on-going training provision, access to small levels of grant support, business mentoring and up to 6 months free office space (in Birmingham).

9. **Built Environment Climate Change Innovation**
   This project is led by the University of Wolverhampton and supported by Coventry University, working with businesses developing low carbon products and services for the housing retrofit market. Support can be given at both universities covering product or service assessment, evaluation or testing.

10. **The Business Enterprise Fund**
    Grants for individuals to start businesses and to encourage existing businesses to invest in projects that will result in increased profitability through efficiency savings and/or expansion and diversification of new products/services into existing and new markets.

11. **Business Innovation Programme**
    The Business Innovation Programme, led by Birmingham City Council encourages businesses to learn about the benefits of computational engineering in manufacturing, particularly in the areas of high integrity fabrication, near net shape manufacture, intelligent automation, and intelligent tooling and fixturing.

12. **Business is Great**
    Business is Great is a web based service, supported by a business helpline available between 9am and 6pm Monday to Friday for individuals and businesses seeking to start, grow and expand their businesses, under the headings ‘Start’, ‘Grow’ and ‘Accelerate’.

13. **Centre for Advanced Simulation and Modelling for Manufacturing**
    CASiM2 is a collaborative project with the University of Birmingham, MTC and Rolls-Royce and aims to share knowledge and expertise in manufacturing simulation and modelling. Up to 2 days funded support is available for specialist expertise and knowledge, tailored to meet the company’s specific needs to improve production line efficiency, carry out analysis of fixtures, gain independent knowledge of softwares or communicate designs using the virtual reality suite.

14. **Centre of Refurbishment Excellence**
    Located in North Staffordshire, CoRE is a national independent centre of learning and skills development for building refurbishment. The offer

comprises business support, advice and training, meeting facilities and practical product training.

15. **Characterisation Techniques (CHART)**
    Developed by Birmingham University, this project will support businesses in showing how advanced microscopy, tomography (3D scanning) and x-ray analysis can benefit them in characterisation of their material and materials products.

16. **Classic Knowledge Transfer Partnerships (KEEN)**
    This service is available through each of the West Midlands based Universities and provides flexibility to companies who are yet to realise their full potential through the transfer of knowledge into business via a recent graduate (Affiliate) who is recruited to work full-time on a growth project, developed in association with the university, for six to 24 months.

17. **Competitiveness through Collaboration (Phase 2) – Herefordshire & Shropshire**
    Metnet supports businesses providing environmental goods and services (including waste management) based in the Marches (Herefordshire, Worcestershire, Shropshire and Telford & Wrekin) and businesses looking to diversify into the sector.

18. **Creative Digital Health Solutions**
    Led by the Heart of England NHS Foundation Trust, this project joins up the NHS and healthcare with digital businesses, to develop new models of care and support well-being through creative digital solutions. Businesses will learn how to gain access to the healthcare market through new business models, understand how to engage with the NHS and its patients, help develop ideas and validate what they do in a health market, access healthcare professionals and patients to test products and understand commerciality, rights and royalties.

19. **Creative Enterprise**
    Led by Coventry University, this project provides creative businesses with mentoring support, advice, guidance, training, hot-desking space and access to University expertise.

20. **Design Leadership Programme**
    The Design Leadership Programme is specifically designed to meet the needs of small and medium-sized businesses, and is supported by government. The service offers up to 10 days of support over a period between 6 and 18 months duration. The programme delivers tangible results, generating around £20 of return for every £1 invested. It also helps embed invaluable skills and knowledge, to help companies manage design in-house, long into the future. Although specific needs vary, Advisers always use a clearly defined client journey to identify where design can best encourage growth.

21. **Digital Heritage Demonstrator Project**
    A partnership led by Birmingham University, the project encourages collaborative projects exploring the use of digital technology with the Cultural and Heritage sector to develop new markets and increase profits for business.

22. **Eco Business**
    The project will provide support for West Midlands SMEs to improve their environmental policies and processes, delivered through awareness events, workshops & consultancy. A grant of up to £2,400 is available to offset capital costs for companies who wish to invest in environmental improvements. This project is led by Coventry University Enterprises Limited.

23. **Enterprise 1830**
    Delivered by the Prince's Trust, this project gives young people, aged 18 to 30 pre-start support, start-up support and post-start mentoring.

24. **European Bioenergy Research Institute**
    Aston University has developed this project to create a bioenergy demonstration facility to establish the West Midlands as the European leader in bioenergy technology development, application and commercialisation.

25. **Exploiting Servitisation in West Midlands SMEs**
    Aston University, with PERA Consulting and UK Councils for Electronic Business are working with manufacturers to help them understand, and implement, creative servitisation strategies. This support will include: awareness events; workshops; one-to-one mentoring; support to help with the implementation of servitisation; and regular networking events.

26. **Fibre Optics and Laser Sensing Technologies Phase 2**
    Aston University is championing this project to promote the advantages of photonics technologies. Technical expertise and equipment is available to SMEs to develop new photonics applications from research to demonstration to commercial prototyping relevant to their businesses.

27. **Games Lab West Midlands**
    Led by Creative England, the Games Lab helps games companies grow, and will support emerging and established games companies to create products and retain their own IP in order to achieve mutual growth ambitions.

28. **Green Bridge Supply Chain Programme**
    Supported by the region's LEPs, Green Bridge provides businesses with help to purchase capital equipment; Improve systems and processes; relocate and expand into new premises; develop new products and markets and benefit from business consultancy, coaching and mentoring.

29. **Growing Talents (Shropshire led)**
Shropshire Council is offering small and medium-sized enterprises (SMEs) located in Shropshire the opportunity to bid for funding to create a graduate placement that will assist and support the business to grow and develop.

30. **Growing the Social Enterprise Sector**
Developed by Community Councils, this project provides support to social enterprises (new and existing) in terms of business planning, marketing, financial controls, company formation and legal structures, staffing, sales, new markets and income generation.

31. **GrowthAccelerator & Manufacturing Advisory Service (MAS) (Combined as "The Business Growth Service")**
The Manufacturing Advisory Service and GrowthAccelerator have combined to be part of the Business Growth Service, a government-backed service offering support to businesses with the potential to improve and grow.

32. **Growth Vouchers**
This government programme helps small businesses get strategic business advice. Provided through Department for Business, Innovation & Skills and the Cabinet Office, administered through a network of local providers (West Midlands Chambers) and delivered by accredited Growth coaches. A business coach will work with the business on the issues identified during the application process and verified by the interview process.

33. **Herefordshire Leaders Programme**
A new LEADER Programme in Herefordshire will be launched in January 2015 for 6 years subject to a successful bid for funds. The LEADER Programme aims to encourage strong economic growth and improve the productivity and competitiveness of local businesses in rural areas. This project is targeted at micro and small businesses. For the purposes of the LEADER programme a micro business has between 0 and 9 employees, whilst a small business has between 10 and 49 employees. The amount of grant support available may vary across the different themes. Projects may be eligible for between around £500 and £50,000 to fund specific activities. LEADER funding contributes to around 40% of total project costs. Cash match funding will be needed for around 60% of each project. Projects can be capital, revenue or a combination of both. Training and skills are not eligible for funding.

34. **Hitech Rail**
University of Birmingham has developed this project to showcase internationally demonstrator projects developed by businesses in the West Midlands in the rail sector.

35. **Human Interface Technologies Applied Research Centre**
Coventry University Enterprises has developed this project to establish a Research Centre in Coventry focussed on providing collaborative R&D

support to businesses wishing to develop a HIT-related product. The Centres enable each client to develop their innovative "HIT" product idea through access to a maximum of 10 days support including research time and facilities, IP and commercialisation support and additional business focussed training.

36. Impetus Small Business Loan Fund

Impetus is a local Community Development Finance Institution, covering – Herefordshire, Worcestershire, Shropshire and Telford & Wrekin. Impetus has general capital funds for Herefordshire, Worcestershire, Shropshire and Telford & Wrekin. In 2014/15 it has in the region of £4 million to lend.

37. Innovate UK

Innovate UK is the new name for the Technology Strategy Board and has the following objectives: provide new support for innovative small and medium-sized enterprises (SMEs) with high-growth potential, make sure that government initiatives such as SBRI (Small Business Research Initiative) attract innovative UK businesses and give companies access to important customers in the public sector,identify and invest in the sectors that have the greatest potential for innovation to speed up economic growth as well as help innovative companies work with their backers so their ideas can be developed commercially. Innovate UK operates a wide range of funding opportunities, each with specific criteria. These funding opportunities are often held on a competitive basis, with key deadlines for applications. (See listing below)

38. Innovation 1st

The University of Wolverhampton Business Solutions Centre gives businesses support to grow through two days fully funded support with a technical focus, aimed at assisting companies to develop new products, processes or services by raising the current technology level in their business; or by adopting an existing technology. The Visualisation Centres showcase and advise companies on how they can utilise cutting edge technology such as touch-sensitive LED screens, interactive whiteboards and presentation recording facilities to conceptualise business problems and formulate innovative solutions. Equipped with single or multi-point video conferencing, desktop sharing capability, touch-table and combined with a presentation recording facility, the Centres hold the key to a wealth of knowledge, helping companies work more innovatively, smartly and effectively.

39. Innovation Engine

The Birmingham Science Park based Innovation Engine provides SMEs with the opportunity to create new and innovative solutions by enabling them to play a part in solving the challenges of larger organisations by actively matching these with solutions based on new knowledge and technology from SMEs and universities.

40. Innovation Networks

Developed by Coventry University Enterprises Limited, Innovation Networks offers capital or revenue grants of £10,000 to businesses that are collaborating on the development of an innovative new product, process or service.

41. **Innovation University Enterprise Networks**
The iUEN project, led by Coventry University Enterprises, supports growth businesses to create, develop and implement new business opportunities through open innovation (OI).

42. **Innovation Vouchers**
Aston University has introduced the new Innovation Voucher Scheme to provide businesses with the opportunity to apply for a voucher worth £1,500 to help them to access external expertise of their choice to support an innovation project, thus improving their competitiveness.

43. **Innovative Products Support Service (IPSS)**
IPSS is led by Wolverhampton University, with support from the region's other Universities. It supports businesses in the development of new products and processes. The programme is specifically designed to support SME businesses developing new propositions in environmental technologies, low carbon engineering and products, digital technologies, transport technologies, electronics and medical technologies. Businesses receive a 2-day review of their proposed product / technology, the results being used to promote businesses with the most viable propositions through to a second phase of the programme that offers 5-days of funded support through the University consortium.

44. **Intellectual Asset Management Programme**
Coventry University Enterprises has developed this service to raise awareness of the value of tangible and intangible intellectual assets within the organisation, and to help SMEs improve their competitiveness and sustainability by identifying and unlocking their existing and potential assets. The project offers a programme of support from initial awareness raising and company engagement activities, to facilitated workshop sessions that improve knowledge levels and address current imperfect information; intellectual property diagnostic actions that help participants understand their existing asset base and exploitation potential; one-to-one company visits, in-company diagnostic and audit across the full range of intellectual assets of the organisation; through to the development of an intellectual asset management strategy for the company and the offer of support for small-scale projects that utilise external expertise and the regional knowledge base in support of achieving the business benefits that the strategy identifies.

45. **Intellectual Property Office**
The Intellectual Property Office provides information, advice and guidance in relation to obtaining patents, design rights, trademarks and copyright for the intellectual property within a business. The ultimate aim of the IPO is to ensure that companies protect their Intellectual Property in the most

appropriate way, their outreach team deliver a number of events / workshops to facilitate this.

46. **Interiors and Lifestyle Networks (Phase 2)**
Developed by the Birmingham Institute of Art and Design at Birmingham City University, this project targets creative businesses to help them enter new, high value markets, or improve their market share in existing markets through a range of support activities.

47. **Leadership & Management**
Upon successful completion of GrowthAccelerator, if appropriate to the business, a leadership and management grant of up to £2,000 (on a 50% match funding basis) is available for senior leaders within the business. This is subject to a separate application process.

48.

49. **Manufacturing Advisory Service West Midlands**
Complementing the core MAS activity, this funding enables businesses to receive an in-depth business review from a specialist manufacturing advisor, who will help them develop an action plan that can be used to determine the level of financial support they are eligible for to help them implement their improvement plans. An events programme supports companies to develop and grow their businesses, including best practise visits, awareness workshops and more in-depth training on specialist subjects.

50. **Marches Business Support Project**
The Marches Business Support Project ('Start Up – Shape Up) is a flexible programme of business support offered to residents of the Marches Local Enterprise Partnership (LEP) (Hereford, Shropshire and Telford & Wrekin) regional area who are looking to start up their own business or become self-employed. The business support package includes one to one professional advice and guidance by business advisors, business planning and financial advice, marketing and sales support, networking opportunities and a range of specialised workshops.
This project also offers advice and guidance to new and young small and medium-sized enterprises (SMEs) about how to improve business performance and overcome the challenges of building a sustainable business. The project is part funded by the European Regional Development Fund. It can help and support individuals or SMEs in the Marches LEP (Herefordshire, Shropshire and Telford and Wrekin)

51. **Mercia Fund 1**
Mercia Fund 1 specifically supports University spin outs in the West Midlands via equity investments of up to £0.5m (typically £0.25m) from any one of the 8 universities

52. **METNET (Env & Technology Networks)**

METNET (marches environmental technologies network) is funded, via ERDF and the local councils (Herefordshire, Worcestershire Telford and Wrekin and Shropshire) in the Marches, to provide support for small to medium sized businesses providing environmental products or services based in the four counties. The network currently has over 350 members

53. **Metrology for Industry West Midlands**
    Developed by Coventry University Enterprises, this service offers specialist expertise to companies looking to reduce their production costs and improve their product quality.

54. **New Enterprise Allowance**
    New Enterprise Allowance provides money and support to help individuals who are in receipt of certain benefits to start their own business. To be considered for the support, claimants must: Be aged 18 or over, have a business idea and get one of the following benefits; Jobseeker's Allowance, Income Support as a lone parent or Employment and Support Allowance, if in the work-related activity group. Those on the Work Programme are not eligible.

55. **Optimising Business Broadband (Shropshire)**
    The project will support businesses in Shropshire to exploit the improvements in broadband infrastructure to access higher-level applications such as: value chain and customer-engagement portals, collaboration tools, business intelligence, CRM, Software as a Service (SaaS) and distributed ERP – and stimulate demand in these new services. Business receive support in 4 levels –from high level awareness events, practical learning workshops, face to face support, and specialist training.

56. **Performance Improvement Initiative (PII)**
    Developed by Coventry University Enterprises, this project aims to increase the operating performance within SMEs through a combination of awareness sessions and in-depth intervention targeting the one or more of the three areas: Planning & Control, Office systems and Manufacturing facilities.

57. **Postgraduate Internship Project (PIP)**
    The project supports businesses with higher level skills through Postgraduate student internships and financial support and has been developed by Aston and Wolverhampton Universities.

58. **PRIME West Midlands**
    This project ended in mid-2014 but was developed by PRIME support mature individuals to become self-employed.

59. **Promoting Biomarker Development in West Midlands SMEs**

Aston University seeks to assist companies to develop sophisticated and innovative biomarker technologies for their given field (for example identification of disease onset/progression or detection of contaminants such as bacteria and viruses).

60. **Redundant Buildings Grant**
The Marches Redundant Building Grant (RBG) aims to provide grant support to existing and start-up businesses throughout Herefordshire, Shropshire and Telford and Wrekin to enable the conversion or refurbishment of redundant buildings to bring them back into productive business use, or to enhance their current business use. This will address an identified lack of available and suitable workspaces in the local enterprise partnership area, creating and safeguarding jobs. Grants of up to £50,000, or 30% of eligible project costs, are awarded. The minimum grant is £3,000 (with project costs of £10,000). A stage one application form must be completed to assess potential eligibility.

61. **School for Start Ups**
School for Start-ups is a limited company that creates education programmes, events and online support for budding entrepreneurs; with the objective of helping anyone turn their business idea into a reality. Its vibrant global community is supported both online and offline through mentoring, meetups and discussion groups. Two flagship programmes, School for Creative Start-ups and Launcher, provide both education, support and funding for entrepreneurs and have allowed thousands of business to get off the ground. Its proprietary online programmes extend access to entrepreneurs world over.

62. **Science City Energy Efficiency**
Developed by the University of Warwick this project is focused on developing technologies for low carbon buildings and vehicles.

63. **Serious Games Studio**
Serious Games Studio has been developed by Coventry University Enterprises to provide technical guidance and support to businesses for the development of highly innovative serious game and mobile app concepts into proof-of-concept demonstrators. The project offers a five-day studio session to assist the business to present their concept to a potential funder/investor.

64. **Shell LiveWire**
Shell LiveWIRE in the UK has 30 years' experience of encouraging young people to start their own businesses. The UK programme helps 16-30 year old entrepreneurs by offering: Monthly £1,000 Grand Ideas Awards, the annual £10,000 Shell LiveWIRE Young Entrepreneur of the Year Award, Shell LiveWIRE LIVE! An annual networking event, the Discussion Forum, video interviews, top tips, webcasts and how-to guides in the 'Video Lounge'. Every year, around 50 young entrepreneurs benefit directly from

winning a Grand Ideas Award which provides a cash boost to the business, lifts their confidence and gives the business a much needed PR boost.

65. **Shropshire Constructing Excellence (SCE)**
SCE is a network for the construction sector with over 100 members. Networking events provide an excellent opportunity to meet with like-minded companies, explore joint-working opportunities, and find out about new projects in Shropshire and further afield.

66. **Skills Support for the Workforce**
The Skills Support for the Workforce project is targeting employers within the Marches area who employ less than 250 staff. The project is required to increase engagement and support participation of employed adults to enhance their skills to become more successful in the labour market, advance career prospects, and reduce the risk of long term unemployment by delivering local training that meets the requirements identified by the Local.

67. **SPEED Plus**
Developed by Wolverhampton, Keele, Staffordshire, Birmingham City and Coventry Universities this project provides business start-up assistance for students and graduates and associates of the partner institutions.

68. **Start Up Britain**
StartUp Britain is a national campaign by entrepreneurs for entrepreneurs, harnessing the expertise and passion of Britain's leading businesspeople to celebrate, inspire and accelerate enterprise in the UK. The campaign was founded by eight entrepreneurs and launched on 28th March 2011 by the Prime Minister, with the full support of the Chancellor and HM Government, although it is completely funded by our private sector sponsors (BT Business, Dell, Intel, Intuit, Iris and PayPal).

69. **Start Up Loans**
Start Up Loans are available to businesses yet to launch or those that have been trading for up to 12 months, although in certain circumstances this may be extended to 24 months. The scheme provides free business planning prior to taking any monies ensuring applicants are in the best possible position to receive funding. Once an individual receives their repayable loan they will also be given access to an expert mentor, free training course and business offers.

70. **Stimulating Innovation & Growth across Shropshire, Herefordshire, Staffordshire & Worcestershire (EUREKA)**
This project offers businesses support to consider innovative solutions to the opportunities and challenges faced by businesses, this could include looking at existing processes, exploring product or process development, or bringing new services or processes to the market.

71. **Sustainable Building Futures**

Developed by Coventry University, this project allows companies to engage in the collaborative development, testing, assessment, and implementation of innovative environmental technology products and services for use in sustainable construction.

72. **Sustainable Retrofit and Smart Grids**
Accord Housing Association has developed this project to demonstrate new and optimised energy efficiency technologies on West Midlands Housing Stock, stimulate the supply chain for innovative systems, materials, components and support knowledge.

73. **Technology & Innovation Futures West Midlands**
Through Coventry University Enterprises, Technology and Innovation Futures (in partnership with Manufacturing Technology Centre) supports businesses, linking foresight and strategic planning directly to technology identification development, adoption and commercialisation.

74. **The Early Advantage Fund**
Created by Midven, the Fund makes predominantly equity investments alongside private individuals and/or institutions into early stage businesses in most sectors.

75. **The Exceed Fund**
Developed by Midven, this fund provides risk capital and advice to businesses in the West Midlands. The fund can make an initial investment of up to £500,000 and focuses on dynamic businesses with the potential to create a strong competitive position in a large growing market, helping them to achieve their goals and build profitable businesses with attractive exit options.

76. **The International Institute for Product and Service Innovation**
Warwick Manufacturing Group has created this centre of expertise with a business support programme for SMEs in the West Midlands to get access to new technology and ideas to develop new products and services.

77. **Transformation for Growth**
Aston Business School has developed this service to act as a catalyst for businesses to identify and implement strategies for transformation and growth by using a set of transformation toolkits.

78. **UK Trade & Investment - UKTI**
UKTI works with UK based businesses to ensure their success in international markets through exports. We encourage and support overseas companies to look at the UK as the best place to set up or expand their business.

79. **West Midlands Incubation Programme**
Coventry University Enterprises Limited has developed this project to boost business innovation, through:

IDEAS (phases 1-3 of the customer journey) focus on providing one on one coaching and mentoring, to support the business start-up, analyse their current business position, map their needs, and then provide the necessary information and skills through coaching, workshops and seminar events, to enable them to develop activities such as, business planning, market analysis and testing, and prototype development and testing.

LAUNCH (phases 4-5 of the customer journey) of the project will, through access to relevant business development services, enable SMEs to develop activities such as, publicity and marketing, access to finance, market information/research, business guidance and consulting, legal and accounting guidance and the registration of trademarks, patents etc.

80. West Midlands Production Fund

The West Midlands Production Fund is managed by Creative England and supports the development of the West Midlands as an economic hub for film and television production in the UK by providing access to finance for SMEs active in this sector. The Fund can support the production of feature films of any genre including documentaries, as well as TV drama with a slot length longer than 30 minutes. Investments typically range from £100,000 to £500,000 per project.

81. West Midlands SME Internationalisation Project

Led by Coventry University Enterprises Limited and supported by the West Midlands Chambers of Commerce and UK Trade & Investment, this project offers direct support to eligible West Midlands SMEs to assist them in developing their international business aspirations and potential. The support covers both direct grant assistance and also advice and information on overseas priority opportunity markets and international innovation considerations.

82. Women In Rural Enterprise (WIRE)

WIRE is the only organisation offering support to businesswomen in rural areas, and although not as active as in recent years WIRE still runs regular training events.

83. WS Business Loan Fund

Covering Shropshire and Worcestershire, this Loan Fund provides loans of between £5,000 and £50,000 to entrepreneurs looking to create sustainable new businesses and to existing businesses seeking to improve their competiveness which can show they have viable business plans but cannot secure all the finance they need from mainstream sources

84. Young Britain

Young Britain promotes the concept of 'youth entrepreneurship' and fervently believes that SELF employment is the new alternative to Unemployment for the UK's skilled young people, many of whom are now labelled 'The Forgotten Generation' as 835,000 are still unemployed and many more under employed. Developing YOUNG TELFORD with Telford & Wrekin Council for local young people to start their own businesses, supported by local entrepreneurs.

Appendix 5: Grant Scheme Summary Analysis

Eureka! Moment			
Number of Grants Awarded in Marches Area	**Amount Awarded in Marches Area**	**Common Grant Size**	**Grant Value Range**
	£49,563	£8,830	£2511-£10,000
Benefits / Impacts / Barriers	Evaluation not yet undertaken Barriers:Eligibility Criteria		
Notes	Total current funds allocated £94,155 for Marches & Staffordshire, 52.64% allocated to Marches area. Split by sector: £37,404 –Creative, £2511 Food Manufac, £28,483 Manufac £17,483 profess Serv, £8274 Distribution Grants undersubscribed, Business Assists oversubscribed Project outputs - Business Assists 65, currently achieved 97. Collaborations 22 only 10% currently achieved - monitoring just started. 5 Jobs Created.		

Growth Accelerator Coaching			
Number of Grants Awarded in Marches Area	**Amount Awarded in Marches Area**	**Common Grant Size**	**Grant Value Range**
203	£497,000	£2,500	
Benefits / Impacts / Barriers			
Notes			

Growth Accelerator Leadership & Management			
Number of Grants Awarded in Marches Area	**Amount Awarded in Marches Area**	**Common Grant Size**	**Grant Value Range**
68	£368,773	£2800	
Benefits / Impacts / Barriers	Barriers: not eligible, having the growth potential, matching the amount, local training provision not available		
Notes	Of 68 businesses supported there are 369 participants. Grants oversubscribed. Outputs include GVA/Jobs created.		

Growth Vouchers			
Number of Grants Awarded in Marches Area	**Amount Awarded in Marches Area**	**Common Grant Size**	**Grant Value Range**
121 Shropshire area	£242,000	Up to £2000	
Benefits / Impacts / Barriers	Barriers:Short time frame for businesses to complete a project only 3 months		
Notes	Grants oversubscribed in Shropshire area but undersubscribed nationally.		

Green Bridge Supply Chain Programme (GBSCP)			
Number of Grants Awarded in Marches Area	**Amount Awarded in Marches Area**	**Common Grant Size**	**Grant Value Range**
26 under RGF 12 under ERDF	£2,335,404 £666,969	£87,000 average	£20,000 - £1 million available
Benefits / Impacts / Barriers	Benefits: The £20m fund is designed to help SME supply chain companies develop, grow and diversify their businesses within the green sector in the West Midlands. The scheme offers grant support and therefore actively stimulates investment in to companies that operate within the green sector or seeking to diversify or set up within this sector, such as renewable energy, low carbon, building technologies, manufacturing, transport and logistics. Grant support is offered for the purchase of capital equipment or processes; relocation and expansion into new premises; new product development; new market development; and development of management and staff to support the project. Barriers: Delay of project timescales related to; Delays in purchasing new property Delays in purchasing capital equipment from overseas suppliers The use of HP funding by smes to purchase equipment is not eligible under the programme		
Notes	Sectors Supported:Advanced Engineering, Aerospace,, low carbon and renewable energy, electronics, other manufacturing, building technologies andtrasport and logistics Grants oversubscribed. Outputs include jobs created and job safeguarded.		

METNET Business Improvement Grant			
Number of Grants Awarded in Marches Area	**Amount Awarded in Marches Area**	**Common Grant Size**	**Grant Value Range**
3	£3000	£1000	£1000-£3000 available
Benefits / Impacts / Barriers	Barriers: Time limits and lack of understanding of process – despite significant attempts made to address this.		
Notes	Pilot Scheme initially offering £1000 50% matched grant, as not taken up this has been extended to £1000 - £3000 – total project funds £17,000. Grant is new to the sector and has not yet reached monitoring stage. Outputs will relate to turnover and jobs safeguarded, business contacts. Grant originally undersubscribed but time limit has been extended to end of Deb 15, aiming to achieve outputs over a longer period than initially considered.		

Growing Talent			
Number of Grants Awarded in Marches Area	**Amount Awarded in Marches Area**	**Common Grant Size**	**Grant Value Range**
	£292,840.53	£7776 model average	£2592 - £9477.00
Benefits / Impacts / Barriers	Not yet evaluated Barriers: Eligibility Criteria		
Notes	Grants undersubscribed in first part of project then oversubscribed in the last 6 months. Outputs to date as project still ongoing: Business Assist 43/74 Graduates placed 41/67 Jobs created 7/7 Grants awarded by sector: £85,655.50 Digital Media £32,015.25 ICT £25,101.90 Engineering £83,171.98 Manufacturing £4,665.60 Construction £22,599.00 Science £16,402.50 Energy/ Low carbon £10,592.80 Technologies, Transport and Storage £12,636.00 Tourism		

UKTI			
Number of Grants Awarded in Marches Area	**Amount Awarded in Marches Area**	**Common Grant Size**	**Grant Value Range**
		£1000	£500 - £10000
Benefits / Impacts / Barriers	Barrier: Availability and Match Funded Model Benefit: Financial and increased employment		
Notes	Grants oversubscribed		

Market Towns Revitalisation Programme (MTRP)			
Number of Grants Awarded in Marches Area	**Amount Awarded in Marches Area**	**Common Grant Size**	**Grant Value Range**
	Capital funds amounting to £3.5 Million within the period 2010/11 – 2014/15 across 17 market towns		£1000 - £10000
Benefits / Impacts / Barriers	Barriers:The delivery and promotion of the schemes were undertaken and led by the individual Town Councils. Take up was very good in many of the areas – the exceptions can be attributed to the level of input provided by the Town Council. Benefits: The wider MTRP grants supported a range of activities including support to CICS, community groups, development of employment land, varied established businesses, colleges.		
Notes	As part of the wider scheme 5 town councils opted to run individual grant schemes within their area in addition to supporting wider activities. Shropshire Market Towns - Overall £410,000 was allocated to these market town grant schemes. Of this amount £108k was uncommitted. predominantly in one of the towns. In some areas the grant scheme was oversubscribed.		

Redundant Building Grant Scheme			
Number of Grants Awarded in Marches Area	**Amount Awarded in Marches Area**	**Common Grant Size**	**Grant Value Range**
Round 2 – 48 grants awarded Round 4 – 5 to date as still being awarded	£1.5 million £173,000 to date	£30000	
Benefits / Impacts / Barriers	Barriers: Awareness of existence of scheme. Struggle to raise remaining 55% - often difficult to get loans especially new businesses. Criteria – 3 written quotes often proves difficult to provide. Cash flow forecast difficult – often need support to produce. Building work often started prior to application then ineligible.		
Notes	Lots of interest but uptake with capital scheme always much slower than revenue one, 700 + enquiries since Oct 11, not all transfer to applications. Capital applications lengthy and require planning, planning permission, often have six month lag between launch date and applications submitted. As grant scheme comes to a close then a flurry of applications often received. Govt delivery targets are often too short for realistic achievement with capital application. Round 2 Outputs – 330 target for jobs created/job safeguarded, 327 to be delivered, 104 achieved to date (monitored for next 18 months). Grant awards by sector –Academic 1, Retail 15, Manufact 13, Care 8, Profess serv 8, other 3. Round 4 Ouputs – 220 target for jobs created/safeguarded 40.5 achieved to date. Grant awards by sector – Retail 2, Manufact 1, Profess serv 1, Other 1		

Business Enterprise Fund			
Number of Grants Awarded in Marches Area	**Amount Awarded in Marches Area**	**Common Grant Size**	**Grant Value Range**
	£1,072,177.90		£1000 - £10,000 available
Benefits / Impacts / Barriers	Awaiting independent evaluation. Benefits – Investment has assisted businesses to expand, diversify and create jobs across he Marches and Staffs. Barriers –Feedback received indicates volume of paperwork required to apply in the first instance. Eligibility criteria.		
Notes	Under target outputs for start-up businesses and social enterprises. On target or above for other outputs. Sectors include Environmental technologies, Visitor economy, Creative & digital, Manufacturing, Food & drink, Other		

Appendix 6: Business Growth Hub Model