

Business Gateway Business Plan

April 2017

Purpose of Plan

This plan is to provide information on the activity planned for Business Gateway Scottish Borders. It will be used by the Council, Senior Management team and Business Gateway team to summarise the actions for the year and to provide information to enable monitoring of performance as the year progresses.

1. Background

1.1 Activity under Business Gateway follows a National Service Specification and locally fits with the Scottish Borders Economic Strategy 2023.

1.2 Business Gateway (BG) operates from offices at Tower Mill in Hawick and covers the whole of the Scottish Borders from these offices. The BG team comprise of 1 administrator, 2 start-up advisers (1 full time and 1 part time), 4 growth advisers (3 full time and 1 part time) and a Business Gateway Manager who also performs the role of Growth Adviser for one of the localities. In addition in the Business Gateway office space is given to the Princes Trust Regional Manager . The Business Gateway manager reports to the Principal Officer, Business in Economic Development.

1.3 Within the team there are a number of specialists in the areas of: Tourism, Food and Drink, Renewable Energy, ICT, Social Enterprise and Finance. However, the Growth/Existing Business Advisers are split according to geography using the locality areas. Each advisers concentrates on building a presence in each of the areas and this increases the number of businesses using the Business Gateway services. Specialisms are shared between the team as each case arises.

1.4 The BG team are integrated with Economic Development and act as the front face of this team for businesses.

1.5 Delivery of BG services follows a National Specification with allowances for a local influence. The national specification demands provision of a Start-Up service and a Growth service. Details of how these will be delivered are below.

1.6 In addition to the core funding provided by Scottish Borders Council the BG service has secured European Regional Development Funding for the period of 1 October 2015 (backdated from 30 March 2016) until 30 March 2019. Details of the targets and activity are also contained in this plan.

1.7 The policy rationale for Business Gateway is that it addresses two key market failures:

1. inefficiencies in the market for information on business start-up and growth – including how to access business support; and
2. inefficiencies in the market for business support. In the markets served by Business Gateway, the level of commercially-provided advisory support from the private sector is not sufficient to address Scotland's low business birth-rate and the lack of business growth.

In addition to addressing these market failures, Business Gateway has an important role to play in promoting an entrepreneurial culture within the Scottish Borders and stimulating awareness of, and demand for, business support services (both public and private sector) among local businesses.

Thus, Business Gateway can be considered to have the following objectives:

- A. To provide high quality advice and support to new start and existing businesses;
- B. To support the creation of new and sustainable businesses; and
- C. To improve productivity and support the survival and growth of existing businesses.

2. Start-up Team

2.1 In recent years the BG team has run with one dedicated start-up adviser and each of the sector specialists have been tasked with finding start-ups from their own sector as well. In 2016 this was increased to two which allowed for a better service being provided to start-ups. This will continue and start-up businesses receive workshops and information, in addition they can now have around 30 minutes of an adviser's time. This helps us identify those businesses looking to employ people and reach Early Stage Growth (ESG).

2.2 ESG segmentation was started in April 2017 and moves the focus away from turnover in the early years to job creation. The advisers work with clients that they identify from prospecting, workshops and general enquiries, where they identify a business who will employ they ensure that further support is given. This also allows support to be provided through ERDF funded projects as they count as a Growth business.

2.3 The start-up team do not have any area boundaries and will cover the whole of the Scottish Borders. They will work with all start-up businesses, being passed referrals from other members of the BG team.

2.4 Workshops will continue at the same rate as before i.e. an average of 6 workshops per calendar month. The arrangement with Live Borders allows the advisers to use their premises across the region and workshops are now being provided in additional towns on rotation. In addition Wilma Norris will also deliver the Digital Boost workshops in the region from 1 July. The provision of these in house allows a budget to be built to increase the amount of digital delivery in the region – provided this is branded as Digital Boost.

3. Growth Team

3.1 Nationally the majority of resources go into the Growth targets and support for growing businesses. This is also reflected locally with 5 people being appointed as Growth Advisers (including the Business Gateway Manager who now has one of the areas to cover). Advisers are allocated one of the Locality areas designated by the Council. The aim of this approach is to identify more businesses that we have not had contact with before and ensure that the BG service is spread across the Scottish Borders. Each of the advisers is responsible for all activity in their area and they have a number of tasks to carry out including:

- Identify and introduce themselves to all local intermediaries and potential referrers of business
- Identifying new businesses and passing them to the start-up team to progress
- Identify businesses that have not had a relationship with BG before, or have not been in touch for a while, meet with these businesses and fit them into our segmentation model highlighting opportunities for support
- Highlight problems for businesses in their area and find solutions to these problems
- Network with businesses and other professionals ensuring promotion of the BG brand and themselves as the point of contact
- Find venues for Masterclasses and other workshops and ensure suitability with their client base
- Share intelligence and best practice with other Growth Advisers at a new weekly meeting

- Ensure Growth targets are met
- Work with other members of localities team to help deliver a highly valued public service in their area.

4. Workshop Delivery

4.1 BG Scottish Borders has an excellent reputation for delivering high quality workshops and seminars. The majority of the workshops that are run are aimed at start-up businesses. This is to allow for, one to many, business advice. In addition the service will look for other workshops that can be delivered, for example exporting and innovation workshops. Masterclasses have proved popular in the past and ERDF funding allows for delivery of these. The service will aim to meet a challenging figure of 6 per year.

4.2 In 2017 Digital Boost activity was passed to each individual region. In the Scottish Borders the decision has been made to deliver these using one of the existing BG Advisers. This will allow the funding to go further and enable additional activity to the businesses.

4.3 The series of seminars will continue to be run across the Borders including areas with highest deprivation. We will make use of Live Borders venues in each of the localities.

5. European Regional Development Fund (ERDF)

5.1 We have secured an ERDF grant of £353k using identified match funding of £530k. The grant amount was reduced from the original grant as match funding had to be reduced. This grant covers the period to March 2019. It has enabled us to support 2 full time advisers. The 2 full time advisers are part of the Growth team and this resource allows us to provide focus across the whole of the Borders.

5.2 Internationalisation will see closer links formed with the Exporters Association and a number of joint seminars. A target of new Exporters has been set and we will aim to encourage businesses to look at exporting for the first time or to research new countries to sell their products to. We will research the barriers to exporting from local businesses and implement projects to overcome these.

5.3 For Innovation we will work with Scottish Enterprise to deliver their products to businesses relating to Innovation. We will research opportunities for Business Innovation Centres in the Scottish Borders and aim to have a business base that is encouraged to improve business processes and products.

5.4 We will deliver a range of Masterclasses across the area aiming for 6 per year. These will be on business topics most relevant to our customer base. These sessions will include a high profile speaker and will be followed by a networking session. These sessions have been well attended in the past and led to new clients being identified by the advisers.

5.5 The Expert Help scheme has been started again. This allows businesses to access funding for consultancy projects in their business. The funding is available for growth businesses and accessed via their adviser. A framework has been used to find a number of consultants that can advise across six Lots – Business Strategy, Investor Readiness, Marketing and Brand Development, HR, ICT and Innovation Support. The fund will allow 100% funding up to £2k on consultancy support.

6. Marketing

6.1 Marketing is funded centrally as part of the National budget managed by COSLA but the ERDF funding gives us the opportunity to expand on this.

6.2 Client case studies are gathered and these are used to promote the service in the press. We will consider running some radio advertising that can also give some local businesses an opportunity to promote themselves.

6.3 We will look for other opportunities within the Council to promote our services and use our network to promote the services of other business related Teams in SBC.

6.4 We provide a monthly column in the Border Telegraph giving business advice and providing case studies of businesses that have used our service. This has proved successful in creating leads. Similar opportunities will be sought with other local newspapers.

6.5 Our Intermediary Visits will create new opportunities for us as we start to spread the word on how Business Gateway can help other professionals and their clients a target of 120 visits per annum is set.

6.6 Business Gateway will continue to use Social Media to promote all services and events. This is done on a national basis but is also carried out very effectively locally. This not only demonstrates our services but is a good example to business on how free marketing can produce results.

7. Targets and Outputs

7.1 The table below shows the targets that we will be aiming for over the 12 month period. These will be reported internally and nationally on a monthly basis. Those relating to ERDF will be reported on quarterly and we will feed back to Executive Committee after 6 months.

Table 1. Business Gateway Targets 2017 – 18

Service Output Targets		
Start-up Service	Target 2017/18	Actual 2016/17
Total number of start-up customers who have begun trading	220	219
Early Stage Growth (businesses employing people within the first 18 months)	30	N/A
Number of start-up workshops/seminars held	72	77
Number of clients attending start-up workshops/seminars	432	432
Growth Services		
Local Growth Advisory Service (LGAS) businesses expected to increase annual turnover by £100k on 3 years	30	38
Growth Advisory Service (GAS) businesses expected to increase annual turnover by £200k in 3 years	15	15
Growth Pipeline (GP) businesses expected to increase		

turnover by £400k in 3 years, approved by Scottish Enterprise	6	4
Account Managed (AM) Businesses who meet SE criteria for acceptance on to national account management structure	2	2
Number of workshops aimed at Growing Businesses	60	57
Number of clients attending growing business workshops/seminars	360	447
ERDF Targets		
Number of Masterclasses held	10	2
Number of Scottish Borders Business Fund grants issued	20	28
Increase in Employees in assisted companies	40	50,5
Number of businesses assisted to export for the first time	15	13

8. Business Gateway – Performance Improvement Plan – 2017/18

Improvement Action	Responsibility	Timeline	Cost/Resource	Expected Result
1). Implement new ESG activity in start-up team to ensure businesses identified and given the right level of support	BG Manager & Start-up Advisers	April 2017	Staff Time	Better identification of growth potential clients, better monitoring of start-ups and achievement of targets.
2). Increase activity of each Growth adviser in each locality, monitoring networking levels and intermediary visits	BG Manager and Growth Advisers.	April 2017	Staff Time	Greater visibility across the Borders, better service to existing clients, identification of new prospects, closer working with intermediaries and other Council partners, increased networking across the area and achievement of growth targets.
3). Closer monitoring of targets in each locality to ensure an even spread of support across the region	BG Manager	Ongoing	Staff Time	Regular monthly meetings held with each adviser to determine activity levels and ensure targets are being achieved
4). Increase delivery of workshops to harder to reach areas and communities in the area.	BG Manager and BG Advisers	Ongoing	Staff Time plus venue hire approx. £2k per annum	Provision of a better service from BG, carrying out our wider social responsibilities as part of SBC. Discovering new businesses and individuals that we should be working with and who will contribute to our national targets.
5). Local delivery and accountability of Digital Boost project.	BG Manager	From July 17	Staff time and budget from Scottish Government	Increased number of businesses attending Digital workshops. Increased level of digital activity in businesses and better performance of those businesses.
6). Identify businesses that would benefit from Incubation and inform them of projects that would meet their needs	BG Advisers	Ongoing	Staff Time	Provision of different type of support to those businesses with good prospects of growth and employment. Link with ongoing Incubation project

Improvement Action	Responsibility	Timeline	Cost/Resource	Expected Result
7). Increase number of Masterclasses delivered. Use the best of the ERDF resources to ensure quality speakers come to the region	BG Manager and BG Administrator	Ongoing	£5k budget ERDF funded	Knowledge transfer to businesses across the Borders on subjects important to their business. Better informed business owners making their chance of success greater. Networking opportunities will result in potential new collaborative working between businesses.
8). Run a Business Conference in October providing a wide range of seminars with partners.	BG Manager Business Gateway team	Oct 2017	Staff time, £10k core budget	Knowledge transfer to businesses. Opportunity to promote services and skills on offer from BG. Opportunity to create closer partnerships and working relationships with other organisations. Invitation to Inward Investment businesses to show what the region has to offer