



*Working for England's World Class Region*

**DRAFT**

**CONSULTATION DOCUMENT**

**SOUTH EAST**

**BUSINESS SUPPORT STRATEGY**

**2008 - 2011**

## CONTENTS

Executive Summary .....	2
Introduction .....	5
Vision and strategic priorities for business support.....	6
Direction and oversight of business support in the South East .....	7
The strategic context for business support .....	7
The impact of a more difficult economic climate .....	11
Scope of business support .....	12
The Market For Business Support .....	13
What services do businesses need? .....	17
Strategic Objective 1 .....	18
Strategic Objective 2 .....	19
Strategic Objective 3 .....	21
Strategic Objective 4 .....	23
Measuring success .....	27
Annex 1: South East Business Support Advisory Board .....	29
Annex 2: RES Targets and SEEDA Corporate Plan Outcomes/Outputs.....	31
Annex 3: Background Note On BSSP And The BSSP Portfolio .....	34

## Executive Summary

1. SEEDA wants to develop a Business Support Strategy that provides a framework for implementation of the Business Support Simplification in the region, clearly articulates the role of Business Link and provides a framework for publicly funded business support providers. The draft Strategy is driven by the RES and reflects the national strategies that have been launched this year i.e. the “Enterprise: Unlocking the UK’s Talent” and “Innovation Nation” (both published in March 2008). The Strategy is aligned with the principles of the Sub National Review. The vision is:-

*“To provide high quality support for businesses and potential businesses, which is customer driven, easy to access, allows all businesses to improve their performance and provides excellent value for money”*

2. The draft Strategy proposes four strategic objectives:-

### Strategic Objective 1 - Increase the rate of business formation and survival

3. Business formation is central to a region aiming to achieve sustainable prosperity. The Strategy recognises the importance of Business Link but also that other bodies are also engaged in business formation

### Strategic Objective 2 - Help all businesses improve their performance by increasing the take up of all types of business support from the public, private and voluntary sector

4. The draft Strategy proposes, in line with BSSP, that the primary channel for business to access business support will be through an enhanced Business Link. This means the migration to Business Link of all generic information, diagnosis and brokerage services associated with other publicly funded business support services (Skills Brokerage by March 2009, UK Trade and Investment (UKTI) support by June 2009, Protecting the Natural Environment support by April 2010, and Resource Efficiency support by October 2009).
5. This new role for Business Link means it is well placed to be central to the delivery of this objective. The current contract arrangements come to an end in March 2010. The procurement process to provide the Business Link service for the following three years will need to start in December 2008

### Strategic Objective 3 - Address issues of equity and sub-optimisation in relation to under-represented groups and disadvantaged areas through provision of targeted services - Enterprise for all

6. This Strategic Objective will be taken forward by the Business Link Providers Enterprise Culture Group, informed by other strategies such as the Women’s

Enterprise Strategy, Rural strategies and the 40-70: Tomorrow's Workforce programme.

Strategic Objective 4 - Target high intensity business support on those businesses and sectors with the greatest potential for growth, innovation and internationalisation

7. The Innovation and Growth Teams will be central to the achievement of Strategic Objective 4 which focuses on businesses with the greatest potential to innovate, grow and internationalise. However the Strategy recognises that businesses will also require high value business support such as Business Resource Efficiency and the Manufacturing Service. The draft Strategy also recognises that the South East is currently facing a challenging economic conditions.
8. Market segmentation is proposed through four different mechanisms:
  - Geography and location, reflecting the spatial approach in the RES;
  - A sectoral approach, focussing on regional priorities
  - Under-represented groups and priority business type, aligning with the priorities of the Government's Enterprise Strategy and SEEDA's own activities; and
  - Potential impact on the South East economy, recognising that SEEDA's Innovation and Growth teams will be targeting high value businesses.
9. The Strategy, driven by the RES, provides a framework for the delivery of the Government's Enterprise and Innovation Strategies. It provides direction and common purpose for all those funding or delivering publicly funded business support leading to a more efficient, effective and integrated arrangement. The RES evidence base underpins the draft Strategy, supplemented by an updated (August 2008) review of the South East business make-up and the national business survey conducted in May/June 2008.
10. The Strategy also recognises and takes account of the wider context, in particular Business Support Simplification Programme and the Sub National Review.
11. There are a number of questions in the consultation document. They are:-

<b>1. Comments and feedback on the overall approach</b>
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<b>2. Do the proposed four strategic objectives for the Business Support Strategy offer the right framework and provide clear direction which can be used by all parties in the region working to support businesses? (see page 6)</b>
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**3. Will the implementation of Business Support Simplification sufficiently improve the coherence of publicly funded business support provided by all organisations in the region? (see page 10)**

**4. How should the Strategy be used to support the objectives in Local Area Agreements/Multi Area Agreements? (see page 11)**

**5. How should the geographic priorities of the RES best influence the decisions of the providers of publicly funded business support? See page 16)**

**6. How can additional support for under-represented groups be integrated into business support rather than being marginalised? (See page 16)**

**7. Will the proposed segmentation to focus intensive support on the high value businesses allow business support services to be targeted where they can have the greatest impact? (see page 17)**

**8. Will the greater coherence of business support be sufficient to promote business formation effectively? (see page 19)**

**9. The Strategy's performance measures are currently based on the RES and SEEDA's Corporate Plan, as set out in Annex 2 (and will reflect the BSSP evaluation criteria when known). Should the LAA National Indicator set (e.g. NI 171) be included? (see page 28)**

**10. Additional comments and suggestions (see page 28)**

### **How to Respond**

The deadline for responses is Friday 14 November 2008. Please submit your responses, using the 'Consultation Draft – South East Business Support Strategy proforma to [businesssupport@seeda.co.uk](mailto:businesssupport@seeda.co.uk) or in writing to:-

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## Introduction

1. The purpose of this document is to set out the strategy for business support in the South East from 2008 to 2011. The strategy encompasses all publicly funded business support in the region, funded through national, regional and local government routes.
2. This period will see significant changes to business support in the region for four main reasons:
  - The implementation of the priorities of the 2006-16 Regional Economic Strategy
  - The introduction of the new business support framework as a result of the Business Support Simplification Programme (BSSP)
  - The emphasis placed on the importance of sub-regional and local economic development priorities in the Sub National Review (SNR)
  - The enhancing of the Business Link provision to fulfil its role as the primary access point for all publicly funded business support, including skills related services
3. The Regional Economic Strategy 2006 -16 (RES) recognises that there is substantial business support available in the region but that businesses perceive that the offer is fragmented. SEEDA undertook, in the RES, to develop an integrated and simplified approach to business support.
4. It is intended that this strategy will provide direction and common purpose for all those who are involved in funding or delivering business support and in developing economic and regeneration policies in the region, leading to a more efficient, effective and integrated arrangement.
5. To meet its purpose successfully, this strategy must:
  - Provide a framework and clear direction which can be used by all parties
  - Shape business support services to focus on contributing to the achievement of the RES priorities
  - Respond to external policy drivers, including the Government's Enterprise and Innovation Strategies, SNR and BSSP
  - Be informed and shaped by the needs and views of businesses themselves

<b>1. Comments and feedback on the overall approach</b>
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## Vision and strategic priorities for business support

6. The vision and strategic objectives for business support in the South East are:

### Overall vision

*To provide high quality support for businesses and potential businesses, which is customer driven, easy to access, allows all businesses to improve their performance and provides excellent value for money*

### Strategic objectives

1. Increase the rate of business formation and survival
2. Help all businesses improve their performance by increasing the take up of all types of business support from the public, private and voluntary sector
3. Address issues of equity and sub-optimisation in relation to under-represented groups and disadvantaged areas through provision of targeted services – Enterprise for All
4. Target high intensity business support on those businesses and sectors with the greatest potential for growth, innovation and internationalisation

### **2. Do the proposed four strategic objectives for the Business Support Strategy offer the right framework and provide clear direction which can be used by all parties in the region working to support businesses?**

7. This strategy does not repeat the analysis of the RES nor reproduce the evidence base that was used to develop the RES and agree its priorities. The starting point is the agreed set of priorities in the RES and the RES Implementation Plan, which can be found at [www.seeda.co.uk/RES\\_for\\_the\\_South\\_East\\_2006-2016/](http://www.seeda.co.uk/RES_for_the_South_East_2006-2016/)

### Values for the Business Support Strategy

8. The values that underpin the Business Support Strategy and will guide its development are:
- All services must contribute to the RES objectives and headline indicators
  - Services must be customer driven, responsive to business requirements and of high quality
  - High intensity services will be focused on those businesses where they can have most impact

- Issues of equity for under-represented groups and more deprived areas will be addressed
- Services will encourage environmental sustainability
- Services will respond to the more challenging economic conditions

### Principles for business support services

#### *Access*

9. Business Link will be the primary access point for all publicly funded business support. It is accepted that some businesses may find other routes into the system (for example to specialist providers), but it is intended that no public funding will be used to set up alternative access routes.
10. The prime role of Business Link in this strategy is set out in more detail in Strategic Objective 2 below.

#### *Delivery and procurement*

11. Better value for money will be achieved, with more of the funding being spent at the point the business receives the service. Services will be procured and delivered nationally, regionally, and locally, in line with the BSSP product portfolio.

#### *Branding and marketing*

12. Branding will follow the national BSSP guidelines of a common branding architecture for all government funded business support products. The Business Link brand will be the access brand. The role of marketing business support will be delivered primarily by Business Link.

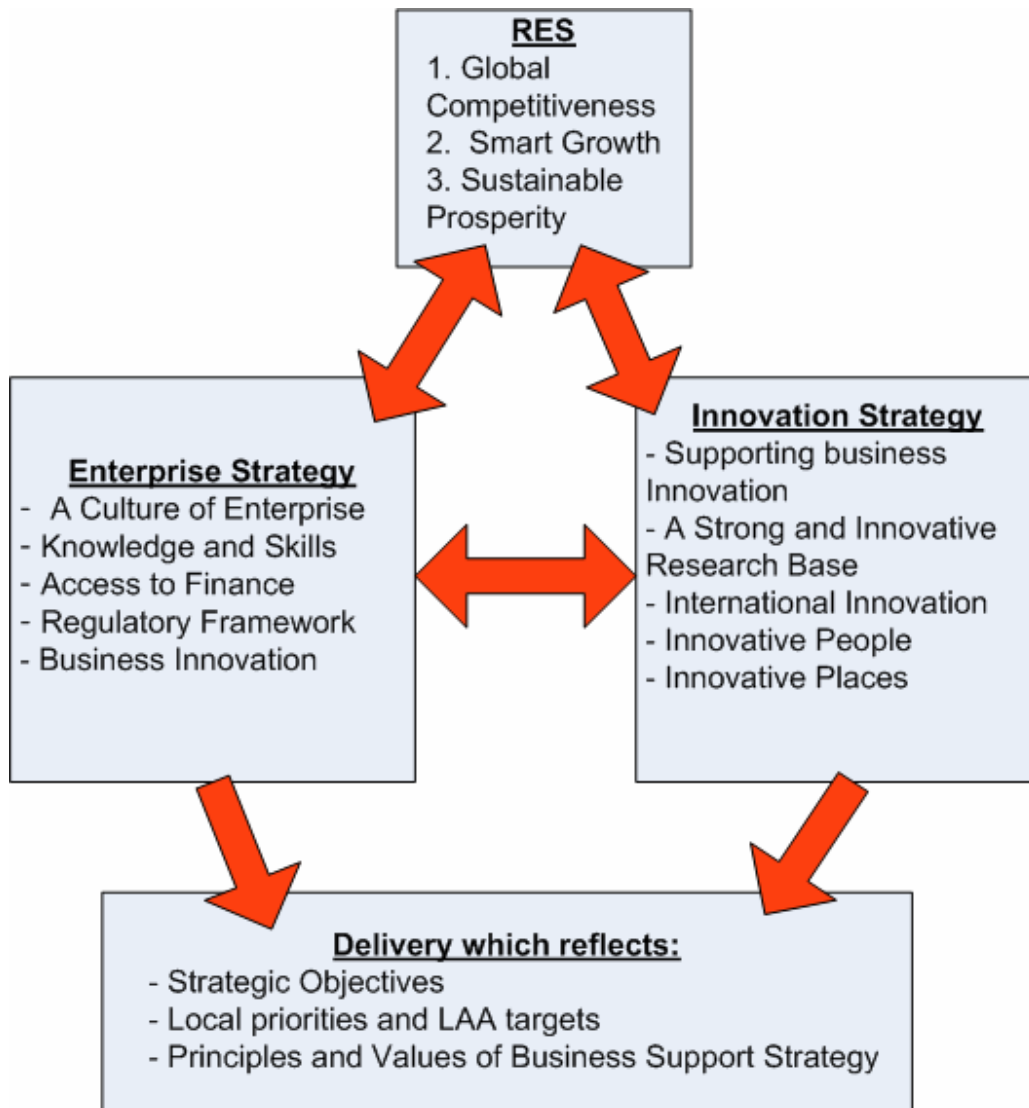
## **Direction and oversight of business support in the South East**

13. The South East Business Support Advisory Board (SEBSAB) has been established to oversee the development of the South East BSSP Transition Management Plan and the development of the regional business support strategy
14. The Board's membership and terms of reference are at **Annex 1**.

## **The strategic context for business support**

15. The framework for business support is driven principally by the RES, the Government's Enterprise Strategy "Enterprise: Unlocking the UK's Talent" and

the Government's Innovation Strategy "Innovation Nation". The combination of these three high level strategic drivers refresh the purpose and importance of business support in achieving significant outcomes for the region. The business support offer must contribute to achieving wider goals for the region in order for the investment in business support to be justified and sustained.



### Regional Economic Strategy

16. The RES vision is for the South East to be a world class region achieving sustainable prosperity. The role of enterprise, business formation and business growth is at the heart of achieving this vision.

17. Business support has a critical part to play in achieving all three of

the headline RES indicators - increasing GVA per capita, increasing productivity per worker and reducing the rate of increase in the region's ecological footprint.

18. Publicly funded business support should only be provided where there are market failures (e.g. asymmetric information) which mean that businesses cannot engage with the business support that would enable them to form, or survive, innovate or grow, at the level of their full potential.

19. The RES Implementation Plan, available from [www.seeda.co.uk/RES\\_for\\_the\\_South\\_East\\_2006-2016/docs/RES\\_implementation\\_plan.pdf](http://www.seeda.co.uk/RES_for_the_South_East_2006-2016/docs/RES_implementation_plan.pdf), contains commitments to simplify business support, integrate skills, regional trade, investment and innovation activities. The Business Support Strategy will provide the framework for this.

20. Business support will contribute to many of the RES targets. The SEEDA contribution to these RES targets, as set out in the SEEDA Corporate Plan 2008-2011, are in **Annex 2**.

#### “Enterprise: Unlocking the UK’s Talent” - The Government’s Enterprise Strategy

21. In March 2008, BERR published the Government’s new Enterprise Strategy, with the vision of making the UK the most enterprising economy in the world and the best place to start and grow a business. It sets out a framework of five enablers that will inform and structure the Government’s enterprise policy over the next 5 years. They are:

- A Culture of Enterprise
- Knowledge and Skills
- Access to Finance
- Regulatory Framework
- Business Innovation

#### “Innovation Nation” – The Government’s Innovation Strategy

22. “Innovation Nation” sets out the Government’s aim is to make the UK the leading place in the world which to be an innovative business, public service or third sector organisation. The aim is to build an Innovation Nation in which innovation thrives at all levels – individuals, communities and regions. The following proposals in the Strategy are relevant to business support:

- Five new Innovation Platforms over the next 3 years.
- Over the English regions, at least 500 businesses will be given an innovation voucher to work with a knowledge base institution of their choice
- Ensuring appropriate finance is available for all innovative businesses at all stages of their growth.

- A national Proof of Concept specification to be delivered by the RDAs, which will provide access to facilities and have a strong focus on investor readiness.
- Doubling the number of Knowledge Transfer Partnerships, increasing their flexibility and applicability to a range of educational institutions including FE colleges.

## The Wider Context

### The Business Support Simplification Programme (BSSP)

23. Business support in the South East will operate within a framework provided by the Business Support Simplification Programme (BSSP). BSSP is the national programme aiming to simplify all publicly funded business support. **Annex 3** provides further context and background. The South East Transition Management Plan available at [http://www.seeda.co.uk/Global\\_Competitiveness/Business/Simplification\\_of\\_Business\\_Support/Transition\\_Management\\_Plan/Docs/South\\_East\\_Region\\_Transition\\_Management\\_Plan\\_v14\\_Aug\\_08.doc](http://www.seeda.co.uk/Global_Competitiveness/Business/Simplification_of_Business_Support/Transition_Management_Plan/Docs/South_East_Region_Transition_Management_Plan_v14_Aug_08.doc) sets out a process of transition to full BSSP compliance by December 2010.

**3. Will the implementation of Business Support Simplification sufficiently improve the coherence of publicly funded business support provided by all organisations?**

### Review of Sub National Economic Development and Regeneration

24. The SNR made clear that economic development should be carried out at the most appropriate level. RDAs will become more strategic bodies in line with devolved decision-making principles. RDAs will continue to deliver and manage services that are best implemented at the regional level, working with a range of delivery agents and working closely with the private sector. Those services include business support, co-ordinating inward investment, support for innovation and responding to economic shocks. SEEDA already works closely with local authorities and sub-regional partnerships and, as they take on their more strategic role, will delegate funding, where appropriate, to those best placed to deliver economic improvements provided they have the capacity to undertake this activity. As now, delivery partners may be businesses, universities and other partnership bodies.

25. The principles of SNR are reflected in this Business Support Strategy:

- Publicly funded business support should be accessed and delivered in the places where businesses are located
- Local economic partners will be involved in decision making about the pattern of business support services.

- Business support will operate within a common regional framework but within this framework business support should be targeted and tailored to address local needs.
  - SEEDA investment should attract additional resources from sub-regional partners.
26. The enhanced role of Business Link will also increasingly reflect local priorities. As part of Business Support Simplification, Business Link will aim to deliver against local priorities in order to reduce the pressures towards proliferation of access channels and business support services.
27. The delivery of business support will reflect Local Area Agreement (LAA) targets (and Multi Area Agreement – MAA - targets where appropriate). The re-procurement of the Business Link service from April 2010 (when the current contract ends) provides the opportunity for further refinements.

#### **4. How should the strategy be used to support the objective in Local Area Agreements/Multi Area Agreements?**

##### Sub Regional Partnership Arrangements

28. SEEDA has supported the establishment of new sub-regional partnership arrangements which have:
- Strong business involvement;
  - A clear understanding of business and economic needs;
  - Capacity to deliver business engagement.
29. The engagement of businesses through sub regional partnerships will allow the views of business to feed into the design and deployment of business support.

### **The impact of a more difficult economic climate**

30. The global economy is facing unprecedented challenges. The twin impacts of tighter credit conditions and increases in global commodity prices, in particular oil, mean we can expect difficult times for the UK economy in the coming months. After the unprecedented growth of recent years, the South East will need to prepare for a more challenging economic climate.
31. So far the South East economy has held up well to the new challenges, although overall growth has been slowing since the second half of last year. There are now signs of a more significant impact, with growing evidence of slowing order books especially among businesses that are more dependent on UK markets. Smaller businesses in particular are tending to become less confident about economic prospects, although this has not

yet translated into a decline in business activity or performance. Looking ahead, it will be vital to help businesses resist the effects of the slowdown over the initial two years of this Business Support Strategy

32. The Government and SEEDA have developed a response as an initial framework which sets out how the Government and SEEDA will work with other agencies across the South East to support the economy, build on the South East's strengths and help South East businesses through the tougher times ahead. The response can be found at [www.seeda.co.uk/Publications/docs/EconomicReviewVer9Web.pdf](http://www.seeda.co.uk/Publications/docs/EconomicReviewVer9Web.pdf)

## Scope of business support

33. This strategy takes as the definition of business support that has been used by the BSSP. It defines business support and services for business as the broadest group of publicly funded interventions on **non-tax** interventions originating in public policy initiatives that aim to assist potential/existing entrepreneurs, employers, enterprises or intermediaries successfully develop their business activity. It includes:

- direct support through grants and subsidies and specific schemes.
- indirect support, for example through workforce development,
- advice (and brokerage to advice) on tax and regulation, employment, occupational health and safety and trading standards, business processes and other business-specific issues, (whether or not they are Business Link branded) – *excluding on-site inspections and monitoring to ensure regulatory compliance.*
- It is provided by publicly funded interventions by Government Departments and their Agencies, Non-Departmental Public Bodies, Regional Development Agencies, Sector Skills Councils (and LSCs), Local Authorities, and (in some cases) independent companies in receipt of some government funding.

34. The scope does not include interventions/offers that are private sector funded. However, there needs to be a close and complementary relationship with private sector business support, and the private sector intermediaries.

35. Actions and investments which are aimed at improving the infrastructure of the region, or the skills of residents as individuals, rather than as employees, entrepreneurs or business leaders are outside the scope of this Strategy. Therefore the Strategy includes:-

- All programmes funded by SEEDA which deliver any kind of service to a business end user
- Nationally funded and delivered programmes sponsored by Government departments which are active in the region
- Local Authority funded programmes for business

- Government Office funded programmes for businesses
- All European Union funded programmes that deliver directly to business clients
- Learning and Skills Council and Jobcentre Plus funded programmes that deliver directly to business clients
- Higher Education and Further Education funded programmes aimed directly at business end users

This scope can only be by consent of the funders and sponsors of the programmes.

## **The Market for Business Support**

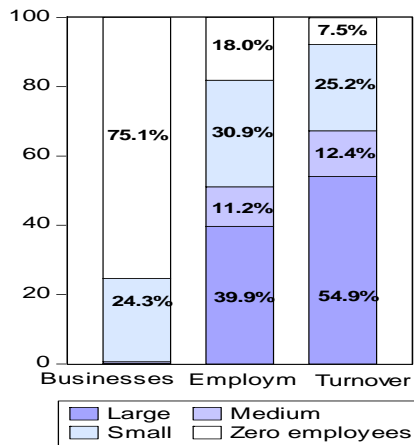
### **Overview of the South East Business Make-up**

36. The South East economy is one of the most advanced regional economies in the UK. In 2007 there were almost 740,000 businesses<sup>1</sup>, the highest number amongst the UK countries and regions after London. Business density is high. At the beginning of 2007 there were 37 businesses per 1,000 inhabitants, the second highest in the UK. The relative position of the South East in terms of number of businesses has changed in the last two years. In fact, in 2005 the South East was the region reporting the highest number of enterprises in the UK, while it is now second after London.
37. The South East has one of the highest survival rates of VAT registered businesses nationally. In 2004, the one year business survival rate stood at 92.8 percent, higher than the national average of 91.1 percent and third highest in the country
38. The table below shows proportion of businesses by employment and turnover:
- The region is dominated by small and medium sized businesses – sole proprietorships account for 75% of businesses, those employing 1-49 for 24%, those employing 50 to 249 for 0.5%, and those employing over 250 for 0.1%.
  - Small and medium sized businesses (employing fewer than 250) account for 60% of employment and 45% of turnover.

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<sup>1</sup> Source: Small Business Service (SBS), "SME statistics 2007", July 2008. These data include enterprises that are not registered for VAT, public corporations and sole proprietors.

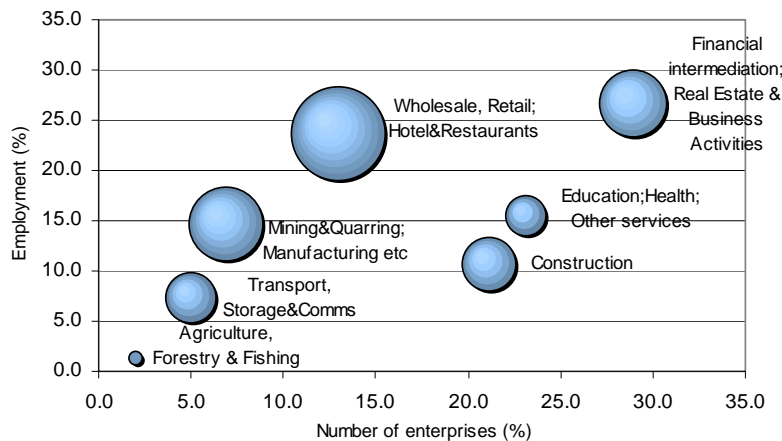
Proportion of number of businesses, employment and turnover for small, medium and large businesses - South East 2007



Source: SBS

39. The sectoral composition of the businesses in the region is shown in the diagram below:

Share of number of businesses, employment and turnover for the different industrial sectors - South East 2006



Source SBS

- There is significant variation between industrial sectors in the South East in terms of number of operating businesses, number of people employed and turnover generated.
- The financial intermediation, real estate and business activities sectors together make the largest contribution in terms of number of businesses and employment.
- Although the Wholesale, Retail, Hotels & Restaurants sector accounts for only 13% of businesses in the South East, it accounts for 24% of employment and creates 34% of the total turnover generated in the region. Similarly, the

mining and quarrying, manufacturing and utilities sector accounts for a relatively small proportion of total business stock, but a larger proportion of employment and turnover.

- The Construction sector and the Education, Health and Other services sector both make up a relatively high proportion of total business stock in the region (21%) but account for lower percentages of employment (11% and 16% respectively).

#### Segmenting the market for business support

40. Segmentation of the market for business support will necessarily be complex and multi-dimensional. The RES and other policy drivers create many priorities for the region to which business support must make a contribution. To reflect this, and to help make best use of the available resources, this Business Support Strategy will segment businesses in the region in four ways:

- By geography and location
- By sector
- By under-represented groups and priority business type
- By potential impact on the regional economy

41. It is intended this market segmentation should inform all parties involved in business support to target and prioritise business support services and resources.

#### Segmentation 1: Geography and location

42. Geography and location are an important aspect of segmentation. The RES identifies a number of priority areas in the region. These are prioritised for their growth potential, strategic importance or level of disadvantage. A spatial approach for business support should be directed along the priorities below:-

- Economic Contours (Coastal (e.g. Coastal Strategy), Rural and Inner)
- Milton Keynes/Aylesbury Vale, Thames Gateway, Ashford
- Diamonds for Investment and Growth: clear priorities for focusing the Innovation and Growth teams. Basingstoke; Brighton and Hove; Gatwick Diamond; Milton Keynes and Aylesbury Vale; Oxford/Central Oxfordshire; Reading; Thames Gateway Kent (including Medway and Ebbsfleet); Urban South Hampshire (including Portsmouth and Southampton)
- LAAs (and MAAs where appropriate): key mechanisms for aligning RES Actions with local priorities

43. This approach does not make a simple choice between investing in success or under-performance but judges each initiative against the impact that it can have in addressing the three Headline Indicators of the RES.

**5. How should the geographic priorities of the RES best influence the decisions of the providers of publicly funded business support?**

Segmentation 2: Sector

44. Some higher intensity business support in the region should be targeted at businesses in those sectors that have most significance for the regional economy. Regionally defined sector priorities are:

- Aerospace and defence
- Marine
- Environmental technologies and services
- Built environment
- Digital media
- Health technology
- Security innovations and technologies
- Tourism
- Land based and rural industries

Segmentation 3: Under-represented groups and priority business type

45. The RES identifies that the creation of new businesses and ownership of existing businesses is not evenly distributed in the economy. There are groups who are under-represented among entrepreneurs and business owners. There is both an equity argument for prioritising additional support to these groups and communities and an economic justification. Under-represented groups in enterprise include:

- Women
- Disabled people
- People from Black Asian Minority and Ethnic communities
- Young people
- Older people

46. The RES has also highlighted social enterprise as a priority business type.

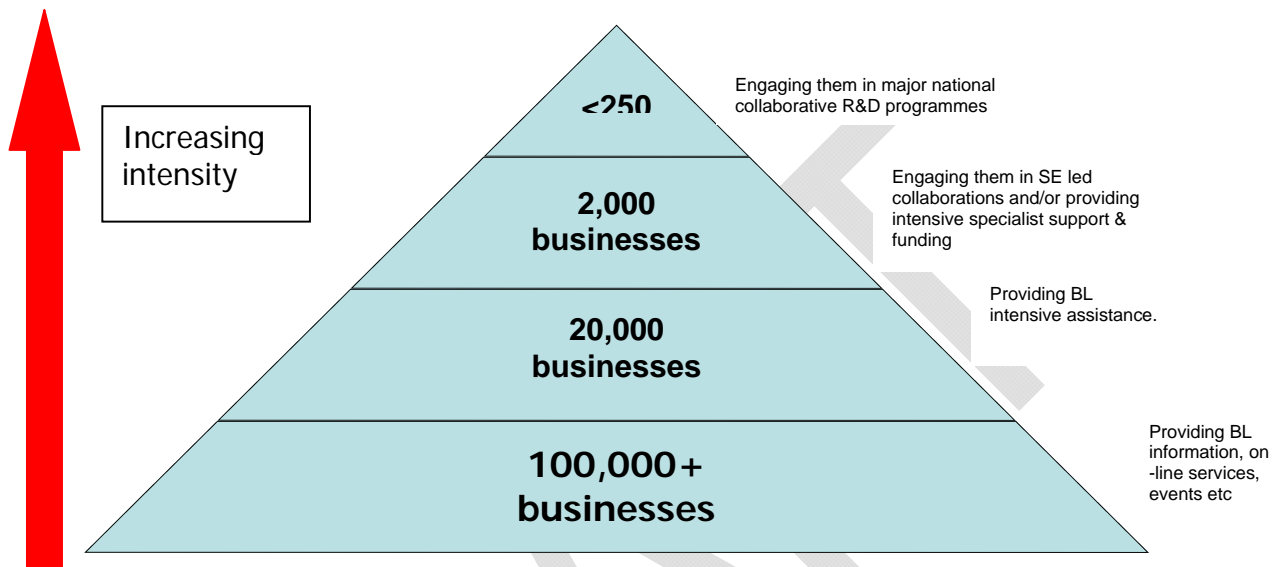
**6. How can additional support for under-represented groups be integrated into business support rather than being marginalised?**

Segmentation 4: Potential impact on the South East economy

47. Services which offer more intensive input will be targeted on those businesses that have the greatest potential to have an impact on the regional economy

and to contribute to achievement of the RES targets. These will be the businesses with the greatest potential to grow, innovate or internationalise.

48. The consequence of this is that the highest intensity, highest value business support services will be highly rationed and targeted.



49. Each layer of the triangle represents a different business group with a different level of innovation, growth and internationalisation potential. The higher up the triangle, the greater potential an individual business has to contribute to productivity growth. The numbers in the triangle refer to the total number of businesses in that group that might be clients over the next three years

**7. Will the proposed segmentation to focus intensive support on the high value businesses allow business support services to be targeted where they can have the greatest impact?**

## What services do businesses need?

What business issues do businesses need help with?

50. Research including through the National Business Survey (NBS) and the Business Link SME research programme, shows that at whatever stage in the business lifecycle, be it a business which is growing rapidly, in steady state or declining, the broad groupings of business issues for which they seek external help are:

- Finance
- Sales and Marketing
- People related issues
- Operations and process

51. There are many sub divisions of these broad groupings - indeed business view their own issues as unique. The current Business Link grouping of business issues, shown below, will inform this business support strategy:

- Starting up
- Finance and grants
- Taxes, returns and payroll
- Employing people
- Health and safety premises
- Environment and efficiency
- Exploit your ideas
- IT and E Commerce
- Sales and Marketing
- International Trade
- Grow your business
- Buy or sell a business

These are the issues with which all businesses might require external help. The duration, intensity and sophistication of the external support will vary according to the stage in the business life-cycle, the size, and the level of complexity of the business.

## **Strategic objectives**

52. To deliver the vision, the Strategy will focus on four strategic objectives:

### **Strategic Objective 1 - Increase the rate of business formation and survival (RES Target 5)**

53. The maintenance of high levels of business formation is important for the achievement of a world class region with sustainable prosperity. Support for business creation will focus on four issues:

- Tackling the issues that prevent people from start a business
- Ensuring that all those who start a business have the information, knowledge and skills they need to be able to plan and set up their business successfully
- Ensuring the new and fledgling businesses have access to ongoing support to help them prosper and to increase survival rates

- To reduce the gaps in self employment and business ownership by under-represented groups (see Strategic Objective 3)
54. The necessary change that the introduction of the new BSSP framework will require presents an opportunity for all those organisations who are involved in designing, funding and delivering services for business start ups to:
- Improve coherence for clients by all interested parties using the BSSP products as a template for regionally consistent offers
  - Ensure the key bodies, such as Business Link, reflect local priorities in access to and deployment of the new services
  - Consider the potential for collaborative procurement and funding of services and increasing value for money
  - Clarify access to the services by agreeing with Business Link how the core start-up service will link to, add value to and pass clients between locally based organisations and outreach initiatives

**8. Will the greater coherence of business support be sufficient to promote business formation effectively?**

**Strategic Objective 2- Help all businesses improve their performance by increasing the take up of all types of business support from the public, private and voluntary sector (RES Target 5, 6, 7)**

55. The Business Link service will deliver this priority. Currently SEEDA invests £24 million in the Business Link each year. Business Link last year supported over 135,000 customers with a satisfaction rate of 90%. In the South East SEEDA and the Business Link Providers have worked together to create one regional Business Link service delivered through the six local providers reflecting the size and complexity of the region.
56. In the three year period of this strategy, Business Link will undergo some changes as a result of the Government's new vision for Business Link published as part of the BSSP. This includes the migration to Business Link of all generic information, diagnosis and brokerage services associated with other publicly funded business support services (Skills Brokerage by March 2009, UK Trade and Investment (UKTI) support by June 2009, Protecting the Natural Environment support by April 2010, and Resource Efficiency support by October 2009).
57. In the South East region we are well placed to meet many of the new requirements of Business Link. For instance, the South East Business Link model already has the 'Information, Diagnosis and Brokerage' as its core function, and this will be retained, but the core role of Business Link will be

enhanced. A national initiative is underway to define the full range of this enhancement, but it will include:

- Consolidation of Business Links position as the primary access channel for all publicly funded business support. From 2009, Business Link must be capable of responding to all types of business irrespective of: size, type of businesses, ownership or stage of business.
- Business Link must be able to respond to local business issues and to offer a platform to local/sub-regional organisations who will be encouraged to rely on Business Link for access rather than establish their own access routes. .
- Business Link will proactively support Government policy drivers for example, skills enhancement. Train to Gain will be fully integrated with Business Link from April 2009
- Business Link will enhance its insight capability

58. The Enterprise Strategy (“Enterprise: Unlocking the UK’s Talent”) set out the Government’s ambition to improve the performance management of Business Link providers, resulting in higher levels of business satisfaction and a *doubling of their customer base*, helping to ensure that more entrepreneurs are able to access the high quality support they need to start and grow.

59. The main input from Business Link into the outcome of the Sub National Review is envisaged to be three-fold:

- Direct engagement with both the shaping and delivery of the new LAAs/MAA, and where they exist, to build the economic prosperity of the local area over the medium term.
- Using Business Link experience, Insights research and business engagement to develop local strategies with local partners that support the RES
- In line with BSSP acting as the Primary Access channel for the LAA process on business support, ensuring that the contribution of all business support interventions is recognised and included.

60. The current Business Link contracts expire on 31 March 2010. SEEDA intends to start a procurement process in December 2008 for the delivery of the Business Link service from April 2010.

Meeting skills needs:

61. The Sector Skills Councils and SEEDA are working closely to take forward regional Sector Skills Agreements (SSAs) which provide a broad basis for collective current and future action to tackle employability, intermediate and higher level skills. SEEDA will work with Sector Skills bodies, Universities,

professional bodies and others to ensure that skills for the built environment are not lost so that the sector can respond to improved market conditions.

62. SEEDA, the Learning and Skills Council and Jobcentre Plus in the region have signed the South East Employment and Skills Accord committing to work together towards developing an employment and skills system which is simpler, better integrated and able to deliver the skills and jobs needed to succeed in the 21st Century global economy.

**A Consultation Paper on Business Link has been launched alongside this consultation. To comment on Business Link please read the separate document and respond to the questions in that document**

### **Strategic Objective 3 - Address issues of equity in relation to under-represented groups and disadvantaged areas – Enterprise for All (RES Target 5)**

63. The South East Business Link Providers' Enterprise Culture group and SEEDA are defining the framework for public sector intervention, of value to groups under-represented in business start up and business ownership. This draws from a review of best practice across the country and a detailed review on how under-represented groups can be supported into enterprise. For instance, only 16% of the 4.7 million enterprises in the UK are majority women-led and if women started businesses at the same rate as men there would be 150,000 extra start ups each year in the UK. Equally if the UK matched US levels of female entrepreneurship there would be 900,000 more businesses in the UK.

64. The work of the South East Women's Enterprise Steering Group has made very significant progress and the valuable lessons from this will be drawn into other areas of the inclusive enterprise agenda, whilst maintaining the momentum on the women's enterprise theme.

65. An 'Enterprise for All' group will be established to ensure greater take up of business support and enterprise support amongst under represented groups.

#### Support for women's enterprise and women owned businesses

66. The Women's Enterprise Strategy (revised and updated in 2008) sets out a number of priorities for business support:

- To make women-friendly business support available across the region
- To ensure women-friendly business support allows upskilling, including IT and financial literacy, to encourage business sustainability and high growth

- To improve women business owners access to finance to start and grow a business and accelerate growth through improved understanding of the funding options available and providing greater accessibility to a range of funding options
- To raise the profile of women's entrepreneurship and promote its economic benefits with stakeholders, and connect members of the women's enterprise community to ensure they inspire more women to start businesses across the South East
- To improve women business owners access to new markets and access to procurement opportunities
- To influence policy change to reduce the disincentives often experienced by women, including moving from benefits to self-employment and to reduce confusion around the supply of information

### Older People with Specific Barriers

67. SEEDA is providing leadership through the Regional Skills for Productivity Alliance to develop a programme that tackles older workforce issues. The purpose of the *40-70: Tomorrow's Workforce* programme is to maximise the older workforce's contribution to increased economic activity and productivity in the South East. The programme has two broad aims:

- To retain more older workers in the active workforce through reskilling, flexible employment opportunities and other means.
- To return more older workers to the active workforce when they have left as a result of redundancy, ill-health or for other reasons.

68. The primary mechanism for achieving change will be through refocusing of existing skills, employment and business support programmes, drawing on mainstream funding.

### Rural businesses

69. The Rural Development Programme for England (RDPE) runs from 2008 - 2013. SEEDA are managing £64.4million of the budget in the South East. The programme provides for a wide range of support for projects and training for farmers, growers, foresters, food businesses and rural communities. The objectives of the programme are focused around three themes:-

- Making agriculture and forestry more competitive and sustainable, fostering a more competitive business environment through a focus on skills, knowledge transfer and innovation.
- Enhancing opportunity and tackling disadvantage in rural areas, investing in skills, enterprise and innovation targeting support to those in rural areas that

need it most, whether in the farming sector or the broader rural economy.

- Enhancing the environment and countryside. Environmental Stewardship will be at the heart of this (delivered by Natural England and the Forestry Commission)
70. SEEDA's approach is to allocate some of the budget to involve local action groups in supporting and allocating funds to individual applicants, under guidance from SEEDA. The remaining budget will be administered directly by SEEDA to support larger, collaborative projects which will benefit a greater number of rural businesses or act as a beacon to other businesses in the region by providing best practice and innovation and demonstration facilities.
71. In addition, Business Link supports rural based businesses with planning advice, which is a significant concern for rural businesses. Business Link also offers information and access to specialist advice on how best to take up new opportunities through new CAP payments regimes.
72. SEEDA, recognizing the importance and contribution of rural areas, has established a new Rural Board. The Board will have two key roles – Leadership/advocacy for the South East rural areas and communities and a 'watchdog' role, to identify the necessary actions and interventions based on a rigorous analysis of the needs of rural areas and assessment of the impact of public and voluntary sector interventions.

## **Strategic Objective 4 - Focus on growth, innovation and internationalisation (RES Targets 1, 2, 3, 11, 12)**

73. High intensity services will be targeted on those businesses which can make most impact on the regional economy. These are the businesses with the greatest potential to innovate, grow and internationalise, or which are in priority business sectors.

### **Innovation and Growth**

74. A new approach to supporting innovation and growth is required because:

- Innovation policy has been too narrowly focused on R&D intensive sectors. We need to consider the innovation potential of other sectors which are important to the South East economy.
- Services for growth and innovation have grown and multiplied in response to demand and policy imperatives. However, the service is now fragmented, complex and diffuse.
- RDAs should target their investment on the opportunities for regional growth, rather than allocating their resources evenly across the region

75. Innovation and growth occurs in all sectors and at all stages of the business life-cycle. Four market segments have been identified where the potential for innovation and growth where publicly funded support services could have a significant impact. These are:

- High growth potential start ups and scaleable micros who have never built a growth business and need help to commercialise their ideas faster
- Small to medium sized companies which have reached a step-change in their development and have the potential for significant innovation.
- Medium to large sized companies important to the region now but need to improve their innovation performance or they could be taken over, moved overseas or go under.
- Large knowledge generators which are vital to the region's innovation performance. They know that Open Innovation makes sense in principle but they tell us they are finding it very difficult in practice to identify and work with innovative SMEs in this region.

76. There are two inter-linked, elements to the future innovation and growth offer,

- Place based Innovation and Growth Teams
- Collaboration for innovation

### **Innovation and Growth Teams**

77. SEEDA is proposing to establish a regional network of eight Innovation and Growth Teams covering the region but focused on the Diamonds for Investment and Growth to drive business innovation and growth, thereby increasing GVA and investment in significantly improved products, services and processes in the South East. These teams will deliver specialist tailored support to businesses that have potential for significant growth and will focus primarily, but not exclusively, on areas of the region where there is an existing or developing community of innovation.

78. The intention is to develop a broader approach to promoting innovation, where innovation is not restricted to new products or technological breakthroughs and includes new services, new business models or processes. In addition, the aim is to integrate the numerous regional and local innovation and growth programmes into one locally delivered service that has greater impact. The model proposes that the delivery teams are managed on a local level by partnerships that comprise of key stakeholders that include business and delivery organisations. These managing partnerships will oversee a team of high calibre experts that will deliver selective services. Further information is available via [www.seeda.co.uk/Innovation/index.html](http://www.seeda.co.uk/Innovation/index.html)

## **Collaboration for innovation**

79. Working with the TSB, SEEDA will introduce significantly more market pull into the innovation process. In relation to business support, this could mean:

- Investing in high quality research which identifies global market opportunities and threats; and to sharing this with the TSB, partners and businesses.
- Investing in the creation of processes, human capital and infrastructure which facilitate business-led collaboration - including Science & Innovation Campuses.
- Enabling South East companies and researchers to respond successfully to innovation challenges set by others (e.g. TSB, NESTA, large global customers).
- Roll out the pilot of shorter Knowledge Transfer Partnerships.
- Ensuring the newly funded South East Relay Centre has a strong market-led component and is proactive in forming collaborations, working hand in hand with the Sector Consortia.
- Using the limited collaborative R&D budget to fund a small number of innovation challenges aimed at addressing RES sustainability issues.
- piloting innovation vouchers to encourage further links to the knowledge base and develop new science and innovation campuses where business and academic researchers work together to achieve global leadership.

80. SEEDA will help South East businesses improve their leadership and management skills in preparation for innovation via a team of Leadership Advisors and an Academy.

### Business Resource Efficiency

81. SEEDA is developing a Business Resource Efficiency (BRE) strategy, due in Autumn 2008, to encourage businesses to change their processes, products and behaviour and introduce significantly more market pull into the business resource efficiency support market with the private sector providing an increasing proportion of support to business. The long term aim is for businesses to realise the economic, as well as the environmental, benefits of adopting low carbon, resource efficient, behaviour.

82. SEEDA will also significant funding to helping businesses reduce the cost of their energy and resource needs.

83. SEEDA's 'zero waste' initiative will invest in tackling waste and water costs. Commercial opportunities will also be created through investment in clean power generation, and innovation in environmental technology, via a Renewables Challenge Fund.

## **Manufacturing**

84. SEEDA will be refreshing the Manufacturing Strategy, building on BERR's Manufacturing Strategy, which is currently out to consultation.

## **Internationalisation**

85. The current services that contribute to internationalisation are Investor Development, Foreign Direct Investment and UKTI.

### Investor Development

86. The RES recognises the importance of helping our larger business champions flourish within the region. Strong companies underpin a robust South East economy that is able to compete globally.

87. SEEDA will continue to deploy a dedicated account management team of Investor Development Managers (IDMs) who work with strategically important companies across the region, delivering bespoke solutions in response to their issues.

### Foreign Direct investment

88. SEEDA has an extensive programme aimed at increasing the level of foreign direct investment into the region. SEEDA will be considering three key elements of this strategy:

- Giving responsibility for the delivery of sub-regional support for inward investment to the new Innovation and Growth Teams.
- Refocusing SEEDA's investment in the International Trade Sector Advisors (ITSAs) so that ITSAs have responsibility for inward investment as well as trade; and for coordinating international sector activity across UKTI, SEEDA and the Sector Consortia.
- Ensuring every new Foreign Direct Investment has an account manager for at least three years after they have landed.

### UKTI South East

89. Delivery of UKTI services in the South East will be within the national strategic framework and corporate plan. UKTI's services are designed to:

- increase the capability of UK companies to internationalise,
- assist UK-based companies to get into new overseas markets, and
- UKTI, with SEEDA's support, will develop the highly successful "Passport to Export" scheme to provide additional help for businesses undertaking R&D specifically for their overseas markets. UKTI will also contact over 1500

“graduates” of the Passport scheme to offer these companies an advanced package of support to reach high-growth and emerging markets.

### **The relationship with the private sector**

90. Private sector organisations have a big role to play in business support and there should be better links with publicly funded support.

#### As referral agencies

91. Research consistently shows that most businesses turn to their bank, accountant or lawyer for support more frequently and more readily than they do to publicly funded business support. Public services should not attempt to supplant that relationship. However, there may be instances where the business needs support beyond that which a single commercial body can provide. Better links will be made with the private sector intermediaries to improve their knowledge of what public services are available and how they might assist their clients.

92. Crucial to this will be establishing the quality and credibility of services as private sector intermediaries will be reluctant to refer clients if the service is not wholly reliable.

#### As deliverers of support to business

93. Business Link brokers many clients to private sector provided solutions. This will continue under the active brokerage model for the enhanced Business Link as outlined above.

### **Regional Customer Relationship Management and Information System (RCRMIS)**

94. The linking of programmes and development of seamless handovers from organisation to organisation is a key objective of making the business support system work better for customers. SEEDA is committed to developing a customer relationship management arrangement for the region which will be used by all publicly funded organisations involved in delivering business support services, including Business Link and Skills South East.

### **Measuring success**

95. A new RDA Performance Framework has been developed comprising an overarching regional economic growth objective, measured in terms of Gross Value Added per capita and a set of outcome-focused performance indicators comprising:

- Productivity (GVA per hour indices)
- Employment (employment rates)
- Skills (percentage of working age population with basic, intermediate and higher level skills)
- Innovation (Business Gross Domestic Expenditure on R&D as a proportion of GVA)
- Number of VAT start-ups per 10,000 resident adults;

96. The new framework also comprises of cross-cutting principles relating to sustainable development and economic opportunities for all, which RDAs must apply consistently to all aspects of their work;

97. The BSSP Product Portfolio will contain a national set of monitoring and evaluation criteria attached to each product, which will be instigated as each product goes live.

**9. The Strategy's performance measures are currently based on the RES and SEEDA's Corporate Plan, as set out in Annex 2 (and will reflect the BSSP evaluation criteria when known). Should the LAA National Indicator set (e.g. NI 171) be included?**

**10. Additional comments and suggestions**

## **Annex 1: South East Business Support Advisory Board**

### **TERMS OF REFERENCE**

#### **Purpose**

To oversee the development of a Regional Business Support Simplification Programme (BSSP) Transition Management Plan and the development of a regional business support strategy

#### **Objectives**

The role of the Advisory Board will be:

- To advise on the scope and principles of the Transition Management Plan in line with the principles and policy framework developed at national level
- To act as champions of business support simplification in the region
- To monitor progress towards milestones in the Transition Management Plan
- To ensure business support in the region is made simpler for businesses by reducing the number of services on offer, making them easier to understand and improving access
- To advise on the migration of existing services to the new BSSP portfolio
- To provide ongoing review of business support in the region and to ensure it meets regional, sub-regional and local needs
- To be alert to re-proliferation of business support services and to act as the guardians of a simplified business support structure
- To advise on the development of a regional business support strategy within the national BSSP framework
- To advise on future arrangements for Business Link and to champion Business Link as the primary access channel for business support
- To engage all parties with an interest in business support and to ensure there is effective communication with them
- To ensure effective links between this Board and the regional Employment and Skills Board.

#### **Links to national governance of business support**

The National Transition Management (later to be Strategic Management) Board will set the national framework for BSSP transition and subsequent business support policy. The South East Business Support Advisory Board is part of a network of nine regional bodies which will provide reports through the RDA to the national Transition Management Board which will review and sign off the regional Transition Management Plans.

## **Membership**

The membership of the South East Business Support Advisory Board will comprise:

- Institute of Chartered Accountants in England and Wales
- Institute of Directors
- CBI South East region
- Federation of Small Businesses
- Engineering Employers Federation (South)
- South East England Chambers of Commerce and Industry
- Business Link (current chair of the SE BL consortium)
- South East Sector Consortia (representative)
- Sub Regional Strategic Partnerships (representative)
- Third Sector (representative)
- Local Authority (representatives)
- SE Sector Skills Councils (representative)
- Higher Education South East
- Association of South East Colleges
- SEEDA
- Government Office for the South East
- Learning and Skills Council
- SEERA
- UKTI
- Jobcentre Plus

Other organisations may be co-opted to the Board by agreement of existing members. Members are expected to communicate effectively with the members of their own networks and organisations.

## **Chairmanship**

The Board will be chaired by Alex Pratt, SEEDA Board Member

## **Secretariat**

Secretariat for the Board will be provided by SEEDA

## **Frequency of meetings**

The Board will meet quarterly, or at intervals agreed by the members.

## **Decision making**

The Board's role is advisory, and all viewpoints will be heard and recorded. It is not anticipated that a mechanism is required for decision making where there is not unanimity of opinion or a broad consensus.

## Annex 2 – RES Targets and SEEDA Corporate Plan Outcomes/Outputs

RES goal	RES objective	RES target	SEEDA Corporate Plan Outcomes	SEEDA Corporate Plan Outputs
Headline Targets	<p>Achieve an average increase in GVA per capita of at least 3%</p> <p>Increase productivity per worker by an average 2,4% annually, from £39,000 in 2005 to at least £50,000 by 2016</p> <p>Reduce the rate of increase in the region's ecological footprint, stabilise it and seek to reduce it by 2016</p>			
Global Competitiveness	<p>1. Global Business and foreign direct investment</p> <p>2. Knowledge transfer and expenditure of research and development</p> <p>3. Innovation and creativity</p>	<p>Businesses operating internationally up from 8% in 2003 to 12% by 2016</p> <p>Businesses in the South East reporting R&amp;D links with HE up from 11% in 2005 to 15% by 2016. Expenditure on R&amp;D in the South East up from 3.2% of GVA to 4% by 2016</p> <p>Total South East business turnover attributable to new products up from 12% in 2004 to 20% by 2016 and significantly improved products from 18% in 2004 to 25% by 2016</p>	<p>SEEDA supports UKTI in its objective to maximise UKTI's contribution to the RES outcome of 4,800 businesses operating internationally 640 new investors in the region</p> <p>265 businesses engaged in major collaborations, 4-5% of RES target, developing from 1,350 collaborative engagements £20m levered into the region from Technology Strategy Board funding programme</p> <p>Businesses benefiting from SEEDA investment in innovation and creativity will collectively report an average of turnover attributable to new products of at least 20% and turnover attributable to significantly improved products and services of at least 25%</p>	<p>360 new investors to locate to the region 10,000 jobs created / safeguarded (3 year forecasted) 1,500 jobs created or safeguarded (SFIE) £100m investment levered into the region (SFIE)</p> <p>7 networks in place involving 1,500 businesses 200 partnerships in place involving 200 businesses, including a minimum of 45 technology transfer agreements with European partners 7 Collaborative R&amp;D projects in place involving 35 businesses 3 Innovation Platforms in place addressing technological challenges in 3 areas involving 30 businesses 3 science and innovation campuses developed Environmental Technology Strategy delivered 10-15 major collaborative projects by land-based businesses supported through the rural European programme</p> <p>2,000 businesses will have been assisted by SEEDAs innovation and creativity programmes £0.5bn new investment funding raised for their businesses, generating £1bn new GVA 600 environmental technologies businesses assisted to get involved in collaborative innovation</p>

Smart Growth	<p>5. Enterprise</p> <p>6. Skills</p> <p>7. Competition and business regulation</p>	<p>Business stock up by 35% from 35 businesses per 1,000 inhabitants in 2005 to 44 businesses per 1,000 by 2016. 10,000 new businesses run by women by 2010</p> <p>Maximise the number of people ready for employment at all skill levels and continually equip to progress in the labour market</p> <p>Increase the level of participation of South East businesses (especially small businesses and social enterprises) in tendering for public sector contracts</p>	<p>8,710 Businesses Created 5,000 business created and sustained after 12 months Delivery of Business Support Simplification Programme Mainstreaming of SEEDA business support programmes into Business Links Appoint suppliers for the Business Link service from April 2010</p> <p>RSPA reformed to deliver on future skills and employment frameworks strategy LSPAs developed into employment and skills boards 40 plus Flagship programme on the older workforce developed Established close working arrangements with Local Authorities with further development of LAAs on employment and skills Regional Minister and stakeholders working together to support delivery of skills and employability targets in the South East and leading the way in influencing national policy</p> <p>Initial leadership in working with regional partners to develop a strategic approach in support of the national Enterprise Strategy, including influencing key fiscal and regulatory changes and developing a regional approach to public procurement</p>	<p>60,000 individuals assisted who are considering starting a business 24,000 start ups assisted Supporting 6,000 female pre-start and start-up businesses (Women's Enterprise Strategy 2005-10) Parity take-up of business support services in disadvantaged areas and underrepresented groups: 7% of businesses based in disadvantaged areas; 31% rural; 23% run by women; and 4% run by black and ethnic minorities 800 jobs created in rural areas through reuse of redundant buildings</p> <p>5,000 business supports per year 10,000 people assisted in skills development per year 600 people gain skills at level 2 or more 20,000 people trained in land-based related activities under the rural European programme</p> <p>Strategic approach developed National and European policy development influenced</p>
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Sustainable prosperity	11. Climate change and energy	Reduce CO2 emissions by 20% from the 2003 baseline by 2016; increase renewable energy to at least 10% of energy supply by 2010 of energy supply by 2012 and 20% by 2020.	SEEDA leadership and leverage results in an increase in renewables capacity and supply beyond the planned 760MW capacity and 7% supply SEEDA leverage and support results in plans adopted for significant emissions reductions from Diamonds areas Region-wide housing retrofit strategy in place, involving Local Authorities, leading corporates and utilities SEEDA and other regional partners' own emissions reduced by 30%	Increase the number of businesses considering sustainability in their action planning by 50% SEEDA emissions reduced by 30% SEEDA developments are at least at level 4 of the Code for Sustainable Homes and equivalent for commercial properties Carbon offsetting fund levers 1:4 ratio of funding by year 3 Diamond areas work levers 1:1 ratio of funding
	12. Sustainable consumption and production	Per capita water consumption down by 20% from 2003/04; and a 30% increase from 2003 in GVA generated per tonne of materials entering the waste stream by 2016	SEEDA leadership and leverage supports the Environment Agency and business to continue making progress on water reduction target SEEDA business support activity contributes to business achieving its share of the 6% reduction in water consumption SEEDA leadership of Zero-Waste Region contributes to the reduction targets in the SE Plan and the increase in GVA generated per tonne of waste Housing retrofitting programme contributes to water reduction target 6 local producer networks with improved public procurement and exploiting local markets	Increase the number of businesses considering sustainability in their action planning by 50%

## **Annex 3: Background Note On BSSP And The BSSP Portfolio**

### **BUSINESS SUPPORT SIMPLIFICATION PROGRAMME (BSSP)**

#### **BSSP Context**

1. The 2006 Budget announced the Government's commitment to reduce the number of publicly-funded business support schemes from over 3000 to no more than 100 by 2010. A consultation held between 22 June and 14 September 2007 on 'Simplifying Business Support' set out how Government proposes to simplify publicly-funded business support in England.
2. Over 300 organisations and individuals responded. There was very strong endorsement of the need for a smoother, simpler experience for businesses seeking support. There was strong support for public sector organisations intervening only where there was a market failure or where it achieved a social justice aim.
3. The "Initial Response to the Consultation" was announced as part of the government's pre-budget report in October 2007. The "Government's Response" to the consultation was published in December. Full copies of these documents can be accessed through <http://www.berr.gov.uk/bbf/simplifying-business-support/page44805.html>

#### **Key Conclusions of the Consultation**

##### Business Link – the primary access channel to business support

4. Business Link will be developed as the primary publicly-funded access channel to business support. This will require further development of the service in some areas, to ensure it meets the needs of a diverse range of businesses and sectors. In the spirit of simplification, Business Link will aim to build on best practice partnership working with Local Authorities, business support providers, business membership organisations and other key partners. The RDAs will continue to have responsibility for managing Business Link. As set out in the Sub-national Review, RDAs will have an important role in coordinating business support in each region.
5. Government announced the integration of the skills brokerage service, currently provided through Train to Gain into Business Link from April 2009, to include skills brokerage as a major component. Central Government is committed to consolidating other specialist business-facing brokerage into the Business Link Information, Diagnosis and Brokerage (IDB) service. BERR will work closely with the RDAs to ensure that the service evolves to meet the needs of all groups, sectors and backgrounds.

#### **The new portfolio of publicly-funded business support**

6. The Pre-budget Report on 9 October 2007 announced the high-level summary of the "products" which will comprise the future portfolio of business support. These products define the broad areas where the Government believes there is a case for intervention. They summarise the rationale identified for intervening and the nature of the support to be provided.
7. The products in the identified portfolio target support where there is a clear rationale, evidence of effectiveness and evidence of business demand.

8. The exact products are still in development, but the broad business themes under which they will sit are below. It is envisaged that the product portfolio will contain 30 products, sitting beneath these higher level offers. For further information see [www.berr.gov.uk/bbf/simplifying-business-support/page44804.html](http://www.berr.gov.uk/bbf/simplifying-business-support/page44804.html)

- Starting a Business
- Intensive Start-up Support
- Starting a High-Growth Business
- Enterprise Coaching
- Manufacturing Advice Service
- Designing Demand
- Innovation Advice and Guidance
- Coaching for High Growth
- Developing your International Trade Potential
- Accessing International Markets
- Maximising Foreign Direct Investment
- Train to Gain
- Business Collaboration Networks
- Business Premises
- Business Growth: Specialist Facilities and Environments
- Grant for Business Investment
- Support to Lenders
- Small Loans for Business
- Understanding Finance for Business
- Finance for Business
- Improving Your Resource Efficiency
- Environmental Land Management Funding
- Environmental Land Management Advice
- Grant for Research and Development
- Collaborative Research and Development
- Networking for Innovation
- Knowledge Transfer Partnerships
- Innovation Vouchers
- Low Carbon Energy Demonstrators
- Export Credit Insurance