

Business Support Simplification in the North East

Summary – Transition Management Plan

What is business support?

Business support is 'support to a business, group of businesses, organisations or to people starting or considering starting businesses'. This includes free or subsidised advice, grants, reduced-interest loans, training and help with finding workspace. Business support helps develop entrepreneurs, businesses or organisations, while achieving broader economic, environmental or societal goals.

Simplification in the North East

Since 2003, One North East has been working with a wide body of funders and stakeholders to simplify business support and make it easier for individuals, businesses and organisations to navigate their way to the support they need. Collectively, we have already demonstrated real successes, including:

- Pioneering the integration of skills and business brokerage through the Adult Skills Pilot and Train to Gain
- Developing new ways for businesses and individuals to access business support, including local access points, business intermediaries, and a 'no wrong door' approach
- Delivering a new regional Business Link service and embedding start up into the Business Link service from April 2007
- Aligning funding for business solutions through the North East England Investment Centre (NEEIC), which encompasses a variety of funding, with a single application process and common funding criteria.

The Business Support Simplification Programme

The Business Support Simplification Programme (BSSP) was announced in the Government's 2006 Budget and is managed by the Department for Business, Enterprise and Regulatory Reform (BERR). BSSP is designed to address the confusion that individuals and companies can experience with publicly-funded business support.

Building on our work to date, BSSP aims to reduce the number of business support interventions from more than 3,000 to less than 100 by 2010. To deliver this, the government has worked with RDAs, local authorities, users and other stakeholders to develop a portfolio of 18 business support products which will be introduced between now and 2010:

1. Business Collaboration Networks
2. Business Creation
3. Business Expertise
4. Capital Investment Grants
5. Debt Finance
6. Export Credits Guarantee
7. Financial Awareness and Capability
8. Getting the most from Foreign Direct Investment
9. Innovation Collaborations
10. Innovation Finance
11. Investigating New Overseas Markets
12. Local Community Business Coaching
13. Preparing to Export
14. Protecting the Natural Environment
15. Resource Efficiency and Sustainable Waste Management
16. Risk Capital Targeted at the Equity Gap
17. Shared Business Support Environments
18. Skills Solutions for Business

One North East has been commissioned by BERR to lead the implementation of business support simplification in the North East. As part of this approach, a private sector-led Transition Management Board (NETMB) has been set up and a Transition Management Plan (NETMP) has been developed. This document provides a short summary of the NETMP, which sets out how key partners in North East England will reduce duplication, increase alignment and simplify access to business support by December 2010.

Taking its lead from the Regional Economic Strategy (RES), the regional vision identifies the need to address low levels of entrepreneurial activity, as well as supporting companies to grow and develop through a broad package of support, drawing from all sectors:

'To use the co-ordinated strengths of the public, private and third sectors to deliver an easily understood and accessible business support service at a level which engages individuals, businesses and communities.'

Our approach is not about reducing funding for business support – it is about ensuring that business support meets business need at a regional, sub-regional and local level, is efficient and can be accessed easily. It will ensure that more funding reaches the customer and less money is spent on administration. This will drive the economy of North East England by developing more competitive and productive businesses and entrepreneurial people.

To achieve these goals will require analysis of business needs, dialogue with key partners, alignment of funding, and enhanced co-ordination, with simple branding and access.

The North East Transition Management Board (NETMB)

The private sector-led board (NETMB) – chaired by Ian Dormer, of Rosh Engineering, will oversee the review of business support and simplification in the North East. The board is made up of organisations representing users, key funders and the third sector:

- Ian Dormer, Rosh Engineering and One North East Board (Chair)
- Hugh Morgan Williams, CBI
- Colin Stratton, Federation of Small Businesses
- Andrew Sugden, North East Chamber of Commerce
- Kate Welch, Acumen Development Trust and One North East Board
- Jo Boaden, Business Link North East
- Sandra Cartlidge, Middlesbrough Council (Association of North East Councils)
- Gillian Miller, Learning and Skills Council
- Ian Williams, One North East
- Douglas Robertson, Newcastle University (U4NE/HEFCE)
- Neil Robertson, Government Office for the North East

The NETMB's roles include overseeing simplification and advising key funders and partners, reviewing regional business support, influencing regional priorities and sharing good practice. By 2010, we will:

- Make business support easier to access and understand.
- Ensure high quality business support for all, with targeted support where appropriate.
- Integrate publicly funded support with the broad range of private and third sector support available.
- Ensure we respond dynamically to business requirements where there is market failure, creating innovative solutions recognising complex needs and differences across the region.
- Enhance economic impact by reducing duplication, increasing alignment, improving procurement and enhancing co-ordination of business support.

Aligning Funding

Alignment of funding is crucial to ensuring that business support is managed, by all funders, in the most efficient and effective way.

There are already good examples of how business support funding and delivery is aligned to meet the needs of users and funders, including creating a single regional Business Link, the developing MAS-NEPA service and NEEIC.

The North East of England Investment Centre: Hiding the Wiring

North East England Investment Centre (NEEIC) manages a range of business support funds in the region, funding brokered business solutions via third party providers. The onus is not on the customer to find the funding scheme that best meets their needs but instead to identify their needs through business diagnostics, and where appropriate, public subsidy can be accessed.

NEEIC is managed by Business Link North East and brings together a variety of funds in an integrated way – ‘hiding the wiring’ through a common application process and investment criteria – the potential for customer confusion has been greatly reduced.

Single Programme, ERDF¹, and RDPE² are embedding the principles of business support simplification in project development and commissioning processes. We also have well developed relationships between funders and work together to ensure that support is delivered in a seamless manner – examples include skills brokerage and solutions.

To deliver simplification, the region’s key public funders will work together through the NETMB, to identify more opportunities to align funding and delivery of business support. Examples may include further embedding of business support principles, co-funding, common procurement routes and local augmentation of regional support.

Aligning funding and delivery at the local level

We are committed to delivering business support that addresses local as well as regional needs. Collaborative dialogue involving GO-NE, One North East, local authorities and other partners will lead to the development of local Business Support Agreements (BSAs), building on successful initiatives such as the Memorandum of Understanding between Business Link and Association of North East Councils and pilot projects with Business Link North East and six local authorities.

The BSAs will outline how the regional vision for business support will be delivered in each area, encompassing:

- Support for starting up and for established businesses – including tailoring for local/sub-regional need.
- Opportunities to access procured business support to meet the needs of a local area, and which can be deployed quickly – such as additional Business Link-branded IDB support.
- Opportunities to align funding for business solutions – such as the NEEIC model.
- Co-ordinated referral mechanisms, shared customer data and management information.

¹ European Regional Development Fund

² Rural Development Programme for England

Developing Packages of Support

To deliver simplification in the North East, we will further develop a structured pathway for the business community to access the support they need. This starts with Business Link, the primary access channel for business support, providing an enhanced, impartial Information Diagnostic and Brokerage (IDB) service and will be underpinned by six packages of support:

- Starting Up
- Access to Finance
- Skills
- Operations and Efficiency
- Product Development
- Sales and Marketing Development

These will encompass a number of projects and specific solutions, all working within the national product portfolio and accessed primarily through the Business Link brand.

Task and Finish Groups

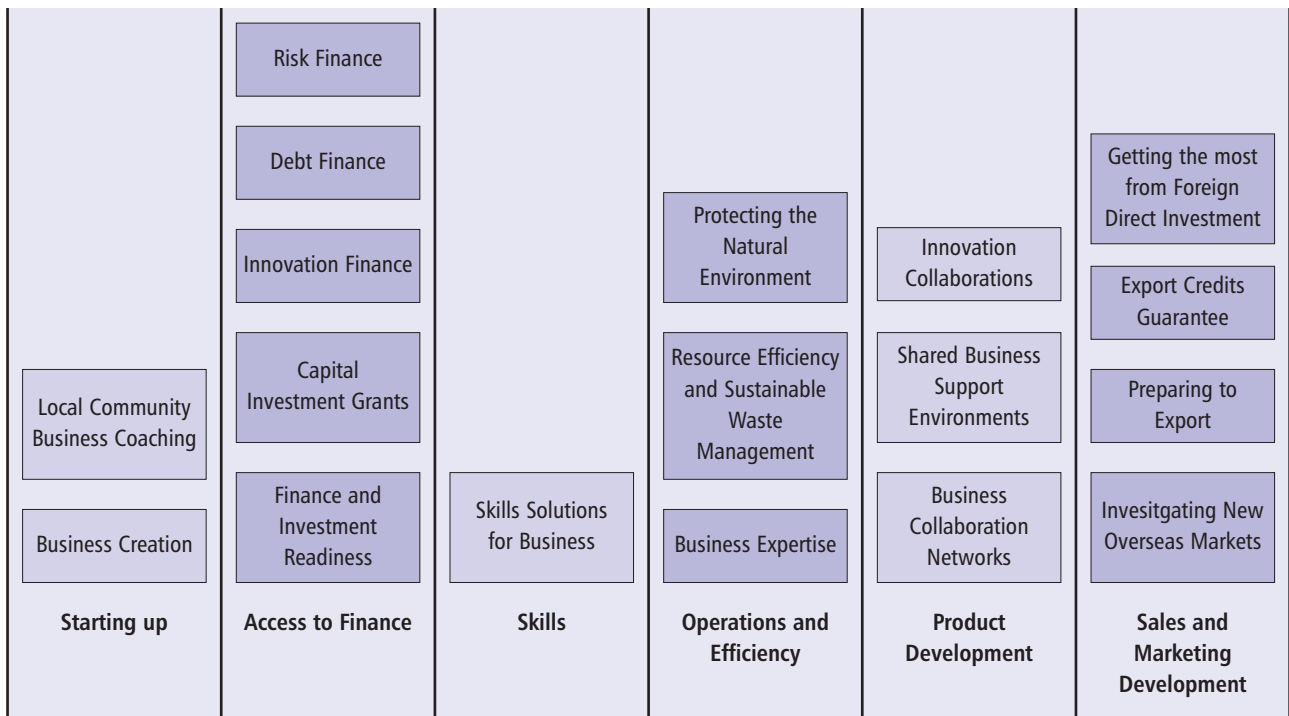
Each package of support must be developed through a process which is both well informed and can support the North East vision. To achieve this, a task and finish group, reporting to the NETMB, will be set up for each package of support to consider the needs

of users, regional priorities, delivery and procurement routes, and marketing and branding.

One North East will lead the establishment of these groups and act as the secretariat but each group will be chaired by, and consist of, appropriate partners and stakeholders from across the region.

A business needs-led approach will be adopted to ensure that the needs of the region continue to be addressed. It will be an iterative process, underpinned by a strong evidence base; emerging issues and successes will be taken into consideration at regular intervals. Funders and users of business support will be involved in designing and testing each package of support, through the task and finish groups and sounding boards, as appropriate.

By December 2010, all business support delivered in the North East will be aligned to the regional vision and with the national portfolio of BSSP products. This timescale allows for some existing services and delivery contracts, where appropriate, to run their course and for the introduction of new services to be phased, with full partner consultation.



BSSP Products and North East Packages

Co-ordination and Communication

Aligning funding and developing 'packages of support' will have a substantial effect on simplifying the business support landscape in the North East. However, the picture will remain complex unless significant attention is paid to two vital elements: co-ordination between providers and access channels and clear, targeted communications.

Co-ordinating business support

Nationally and regionally, we have agreed that Business Link will be the primary access channel for business support.

To enhance the customer experience of the Business Link service, we will investigate new approaches, such as fully integrating skills brokerage and access to UKTI services by 2009, improving the breadth and depth of advisor knowledge, enhancing the number of access points across the region, and the use of e-channels such as BLNE Online.

We will also investigate a common Customer Relationship Management system for all business support organisations across the region – ensuring that individuals and businesses receive a seamless service, backed by quality, shared customer intelligence.

However, customers can and will choose to approach the world of business support through many different channels: their local authority, college, bank, accountant or lawyer amongst others. Our effort will focus on ensuring that all of these channels have a good awareness of Business Link as the primary point of contact, have appropriate knowledge of the product portfolio, and where appropriate, can signpost customers to the support appropriate to them.

Marketing and branding

To make it easier for businesses and individuals to identify quality, publicly funded business support and reduce marketing and branding costs, a new national marketing and branding framework is being developed.

This framework is still in development, and the detail will be considered as part of the task and finish approach. However, separate brands for individual products in the national portfolio will be phased out, except for a very small number of well established brands which have proven their value to the business community.

Guidance on the marketing and branding approach will be provided during summer 2008.

Communications

We will also ensure that good communication between funders, deliverers and users on business support becomes the norm. Decision-makers for business support funding and delivery, nationally and in the region, will operate as part of a well-informed network and we will ensure that the business community is aware of and involved in our approach to business support simplification.

A series of briefings and workshops will be provided for funders, users and deliverers to ensure that all partners and stakeholders are well-informed and fully involved.

The www.businesssupportnortheast.co.uk website will be used to provide more information on regional business support activities. More information is also available at www.berr.gov.uk - 'What's happening in your region?', and partner websites such as www.onenortheast.co.uk. In addition, a BSSP ebulletin will be produced regularly to update partners and stakeholders.

For More Information

The full North East Transition Management Plan is available to download at www.businesssupportnortheast.co.uk.

Through the website, you can also sign up for regular BSSP ebulletins.

For more detailed queries, please contact

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