

Economy and Enterprise Overview and Scrutiny Committee

4 March 2016



Support provided to SME's within County Durham

Joint Report of Lorraine O'Donnell, Assistant Chief Executive and Ian Thompson, Corporate Director Regeneration and Economic Development

Purpose of the Report

1. To provide members of the Economy and Enterprise Overview and Scrutiny Committee with background information prior to a presentation by Simon Goon, Managing Director, Business Durham and key partners providing an overview of the support currently provided to small and medium sized enterprises (SME's) within County Durham.

Background

2. The Economy and Enterprise Overview and Scrutiny Committee have received an annual update on the activity undertaken by Business Durham including detail of the support provided by Business Durham to the business community within County Durham.
3. In addition, the committee has received detail of media items relating to how DCC has helped to support the development of SME's within the County via funding from the DCC's Business Improvement Scheme for retail centres.
4. At the Economy and Enterprise Overview and Scrutiny Committee held on the 23 June, 2015 members agreed the work programme for 2015/16. However following that meeting a member of the committee approached the Chair and Vice-Chair requesting that the committee receive at a future meeting an overview of the current support provided to SME's within County Durham. The Chair and Vice-Chair agreed that this issue would be added to the work programme for 2015/16 particularly as the business support landscape is changing so significantly with the introduction of the NELEP Growth Hub in September 2015 and following the CSR the removal of the National Business Growth Service (Growth Accelerator and the Manufacturing Advisory Service).

5. Arrangements have been made for a special meeting of the Economy and Enterprise Overview and Scrutiny Committee to be held on the 4 March 2016 where a presentation will be provided from: Simon Goon, Managing Director, Business Durham; Joe Murray, Chief Executive of CDC Enterprise Agency; Colin Bell, Business Growth Director, NELEP Growth Hub and Ted Salmon, Regional Chairman of the Federation of Small Businesses (FSB). The presentation will focus on:
 - Context – including detail of the Business Enterprise Strategy.
 - Role of DCC in supporting SME's in the county, detail of support provided and any challenges.
 - Role of CDC Enterprise Agency (and other Enterprise Agencies) in the county, detail of support provided and any challenges.
 - Role of the NELEP Growth Hub, detail of support provided and any challenges.
 - Role of FSB in the county, detail of support provided and any challenges faced by small businesses.
 - Summary of key points made in presentation.

Support provided by Business Durham

6. Business Durham engages with businesses across the County who operate in all sectors except for retail and leisure. It's objectives are to help:
 - Increase business survival rates (enable businesses to access appropriate support)
 - Increase business start-ups and businesses attracted to the County.
 - Creation of Jobs

All of this is undergirded by the ambition to help raise the economic aspirations of our client groups.

7. In addition Business Durham has increasingly been focussed on raising the profile of Durham as a place where business is done. A new business networking meeting, called Durham 2sday has been started and a series of PR and communication activities have been undertaken to help achieve this. A critical part of this activity is a refreshed website, which increasingly contains more and more content that provides business advice, tips and tricks, coupled with a very active and far reaching social media presence and a series of newsletter and blogs by key staff, this includes a monthly column in the Journal by the MD of Business Durham.
8. Business Durham delivers very little direct business support, but instead engages with business as a business growth partner and helps to connect businesses to the wider support providers. In addition it ensures there are strong relationships with regional and national business support providers, whether they are public or private sector funded and works to maximise their presence on the ground in Durham. This includes UKTI trade, finance providers, banks and professional service firms and networking organisations. This wider engagement includes activity includes inputting into the NELEP Business Growth Hub development.

9. Business Durham's business engagement team helps Durham businesses to understand what they need, as appropriate provide advice and make connections to their extensive network of contacts so the business can grow. There are numerous ways that Business Durham engages with businesses:
- Via an SME engagement team divided into the East, North and South. The major focus is the ongoing management of business park communities in Newton Aycliffe, Peterlee and Drum.
 - A strategic account management program specifically to support the larger employers or those on a high growth path.
 - A vibrant innovation community helping businesses of all types to understand and access innovation support. This includes dedicated services on accessing finance, intellectual property landscaping and developing a local supply chain.
 - Leading on inward investment support for companies coming into the County and then helping them embed.
 - Companies at Risk problem, minimising the impacts from significant downsizing or company closures by connecting companies recruiting with those losing staff, working with the supply chain and helping to bring new businesses into the vacated premises.
 - Providing micro and small businesses with quality and affordable premises, which the private sector cannot afford to do. This includes the provision of specialist premises for science businesses at NETPark.
 - Acting as a signpost for anybody wanting to start up or grow their business.
 - Connecting businesses to other businesses and organisations who can help them grow.

Support provided by CDC Enterprise Agency

10. CDC Enterprise Agency is one of four Enterprise Agencies operating within County Durham. Each agency focuses on supporting individuals considering self-employment and small business owners in starting, growing and developing their businesses.
11. The Agencies work involves one to one coaching, mentoring and training in addition to offering affordable office space, meeting rooms and networking opportunities for the local business community.
12. Whilst each of the Agencies operate independently and have a local focus they are also involved in Countywide, regional and national projects such as the New Enterprise Allowance, which gives consistency of delivery across the County.
13. Examples of typical programmes include: intensive start up coaching and business advice (working one to one with clients to help overcome obstacles to starting a business), accredited training (such as Level 2 in Preparing to Start a Business), Enterprise Plus (support for individuals impacted by Welfare Reform and specific skills training) such as bookkeeping, marketing and social media.

14. The Agencies primarily work with the unemployed (around 60% of the client base), will deal with around 1,500 new clients per year and help start in the region of 350 new businesses every year.
15. In relation to CDC Enterprise Agency this offers a range of services to SME's in Chester-le street and Durham City including: start-up coaching; New Self-E programme; qualifications – a recognised SFEDI (government recognised not for profit standards setting body for business enterprise and business support); Enterprise Club and facilities for hire including affordable office space together with training rooms available for hire.

Support provided by the North East Growth Hub

16. The North East Growth Hub coordinates and simplifies business support available across the North East so that it joins up national, local, public and private support and creates a seamless customer experience for businesses. This multi-channel, user centered digital platform provides a single point of reference, where businesses can come for support, enquire, advise, share, help and be helped by each other.
17. The Growth Hub provides a unique offer for North East businesses to share common issues, challenges and successes with one another through community forums and a comprehensive directory of support which is in constant development in order to make sure the content meets the needs of the region's businesses.
18. Members of the Growth Hub can join and contribute to groups on a diverse range of topics including:
 - Business support
 - Marketing and manufacturing
 - Finance

Support provided by Federation of Small Businesses (FSB)

19. The Federation of Small Businesses (FSB) has been supporting small businesses for over 40 years, providing leading business services inclusive of membership.
20. Membership of FSB provides a range of benefits including support/advice on how to protect your business, how to save money and how to grow your business. Members of FSB have unlimited access to:
 - Tax Investigation Protection Insurance
 - Legal Protection Scheme
 - Employment Law and Advice
 - Health and Safety Law Advice
 - Online Legal Documents
 - Health Care Advice
 - Financial Health Check

21. In addition, the FSB lobbies on the barriers that members face in their businesses and host a range of events to connect members to each other.

Recommendation

22. That the Economy and Enterprise Overview and Scrutiny Committee note the contents of the above report and comment upon the information provided within the presentation.

Background papers

www.businessdurham.co.uk ; www.northeasttechnologypark.com The CDC Enterprise Agency website, FSB website and NELEP Growth Hub website.

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Appendix 1: Implications

Finance – None

Staffing – None

Risk – None

Equality and Diversity – None

Accommodation – None

Crime and Disorder – None

Human Rights – None

Consultation – None

Procurement – None

Disability Discrimination Act – None

Legal Implications – None