

SEEDA Consultation on the Draft South East Business Support Strategy

Proforma for feedback

Please send your written feedback by the Friday 14 November 2008 using the attached proforma to businesssupport@seeda.co.uk

Name: Dawn Baxendale, PUSH Economic Development Director

Organisation: Partnership for Urban South Hampshire (PUSH)

Telephone Number: 077 3679 2647

Email Address: dawn.baxendale@push.gov.uk

1. Comments and feedback on the overall approach

In recognition of the national strategies on “Enterprise: Unlocking the UK’s Talent” and “Innovation Nation”, there is a need to coordinate and focus business support activity in the South East region and PUSH supports SEEDA’s approach to develop a South East Business Support Strategy. The organisation and delivery of future business support is critical to PUSH in meeting its ambitious economic development targets, thus the opportunity to comment on the Draft Business Support Strategy 2008 – 2011 is welcomed. PUSH is committed to the Business Support Simplification Programme (BSSP) and has embedded its principles in the PUSH Business Plan and projects through close working with Business Link.

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)

The objectives set out in the draft strategy provide a suitable framework to guide business support activity. These objectives are key to achieving the PUSH targets and it is important they are included as separate objectives in the regional strategy.

Through its “Information, Diagnosis and Brokerage” function, the document states that Business Link will deliver the objective on helping businesses improve their performance by increasing the take up of all types of business support. To achieve this objective, the Business Link service will need to become fit for the purpose of brokerage and referring to specialist business support organisations. Both Business Link and these specialist organisations will need to have adequate funding to meet demand.

PUSH supports the objective on addressing the issues of under-represented groups and disadvantaged areas. Business support activities in this area exist because the market has demanded them and usually represent the needs of local geographic and demographic communities. Having a “one size fits all” approach for the BSSP may lead to exclusion of the more hard to reach groups and communities thus PUSH welcomes the inclusion of

addressing the issues of these groups/areas as a separate objective in the strategy.

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)

The current business support framework is not completely linked to provide follow through from start to finish for the customer and it is difficult to navigate through the business support services available. Implementation of the BSSP is therefore crucial to improving how business support is delivered making it clearer and easier for the customer.

It is understood that Business Link will no longer focus solely on SMEs under the Business Support Simplification Programme (BSSP) and will become government's main interface with businesses. As a result, PUSH would like to see an enhanced brokerage service that will shorten the customer's journey. As the primary access point, it is understood this service will be delivered by Business Link and it is important they have the necessary resources and capacity to undertake this role. There is an issue of duplication however where there could be overlap between the general brokerage service delivered by Business Link and the specialist brokers the customers are referred to.

It is important to realise however that some businesses may not see Business Link as the right contact point and prefer to contact specialist support directly to shorten their customer journey. For example, UKTI and Train to Gain are nationally identified brands. With regard to the innovation and knowledge based businesses that will be offered intensive support from the Innovation and Growth Team (IGT), Business Link as a single access point is supported as it will help to ensure IGT resources are not excessively diluted by enquiries from inappropriate businesses. However, without undermining this core principle, there is also a need for sufficient visibility of the IGT to be a recognisable entity with whom local entrepreneurs and high growth, innovative business can identify.

If any resources are made available as a result of the simplification programme, it is important that these are injected back into service delivery at the frontline so that there is ample funding to meet demand and provide a quality service.

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

LAAs and MAAs are key mechanisms for aligning actions in the RES with local priorities. Business Link is a key partner to delivering the business support activities in the LAA and MAA. The strategy needs to clearly outline that Business Link needs to align itself to local priorities as outlined in LAAs and MAAs.

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

As a diamond for growth, the PUSH area is identified as a geographic priority in the RES. For this reason, in order to bring about improved growth, the priorities of PUSH should influence the provision of business support at the sub-regional and local levels. This flexibility needs to be incorporated into the strategy.

Although PUSH is focused on the specific needs of its geographic sub-region, SEEDA is keen to ensure that the Innovation and Growth Teams (IGT) also contribute to the whole region and thus there is a need to ensure the right balance is achieved. Due to the limited timeframe and fast pace with which the IGT business plans are being prepared, there is a danger that some mismatch might occur. Therefore it is important for a thorough process of alignment between the needs of the target business sector, the PUSH Business Plan and SEEDA's approach.

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

It is important to ensure under-represented groups are not excluded as part of the BSSP exercise. As explained in question 2 above, business support activities currently exist due to market demand representing the needs of local demographic communities. Including a specific objective in the strategy on addressing their needs is therefore supported. There is concern that the resources to meet the needs of these groups will be inadequate, particularly for outreach work which is an essential activity and has high costs. Sufficient funding levels are needed for business support activities in this area, and it is important that this is made available to the appropriate organisations. PUSH further wishes to reiterate the need to inject any savings as a result of the BSSP back into the frontline to organisations that work with disadvantaged groups to ensure there is a complete coverage of services that meet market demand.

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)

PUSH supports the provision of having a specific focus on intensive support targeted towards those areas and businesses that will have the greatest impact and a more joined up approach of this will be achieved through the Solent Innovation and Growth Team which is included in PUSH's MAA. At the same time however it is important not to neglect all other sectors and businesses as they are also contributors to growth and employment. The

strategy needs to highlight both sides of business support and the importance of having a balanced approach.

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

Although greater coherence of business support provides more clarity for the customers journey, it is the quality of service provided and actions undertaken that will really have an impact on creating business start-ups. As the primary access point, Business Link must be able to respond to local business issues and have the capacity to provide quality brokerage service.

Promoting an environment for more effective start-ups includes the promotion of an enterprise culture. This is an extremely important area and it is suggested to include this in the strategy as one of the actions contributing to this objective. Promoting an enterprise culture involves changing attitudes and perception through raising awareness about enterprises and understanding what it means to be an entrepreneur.

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)

PUSH supports the proposed performance measures outlined in the strategy based on the RES, SEEDA Corporate Plan, and the national BSSP monitoring and evaluation criteria. In addition to this, PUSH is of the view that the LAA National Indicator set should be included. In particular, not including NI 171 on New Business Registration Rate could present some practical problems as there will be an insistence on using it for LAAs.

10. Additional comments and suggestions (see page 28)

The Business Support Strategy for the South East is an important document to understand what we want to do in the South East and where funding is needed. As such PUSH views this strategy as an essential tool to guiding the outcomes of the BSSP and implementing business support activities in the PUSH area. PUSH would like to seek confirmation from SEEDA on the proposed timeline for finalising the strategy. Once the strategy has been finalised and adopted, PUSH looks forward to working with SEEDA, Business Link and partners to implement the strategy.