

Item 6. LEP Business Support Management Board
Private & Confidential: NO
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Publicly Funded Business Support Provision in Lancashire – Purpose and Priorities

Report Author: Andy Walker, Head of Business Growth LCC

Executive Summary

There is a strong and developing evidence base that shows that businesses who seek external advice and support are both more ambitious for their business and more likely to achieve their growth targets. Chiefly, businesses will derive that support from commercial business support providers including accountants, solicitors and business membership networks, however there is clearly also a role for publicly funded business support provision.

Within Lancashire much has already been done to create a simpler landscape and offer for businesses making use of Boost – Lancashire's Business Growth Hub as a portal to match businesses with appropriate provision.

The work to fully understand the business support landscape needs to continue and the principles for a new audit are set out in Annex A to this paper. This work will be conducted by Regenerate Pennine Lancashire and the data gathered will be reported back to this Board.

At present there are a number of opportunities for Lancashire to take a greater stake in organising how public funds are used within this area:-

- Local devolution deals offer an opportunity for greater control of national business support offers
- ESIF monies offer the opportunity to promote the commissioning of key provision
- Better collaboration and new ways of working offer the opportunity for business support providers to

Recommendation

The LEP BSM Board is asked to:

- (i) agree to become the steering group for the Lancashire Business Support Simplification Review, and
- (ii) endorse the proposed methodology / principles set out in Annex A
- (iii) Establish a work programme to specify the desired business support landscape and gaps in provision.

PRESENTATION TO FOLLOW

Annex A

Proposal to conduct a business support provision audit

A Background

Small businesses that grow are more likely to have sought advice and support. The majority of businesses that do take advice say it adds value.

Whilst friends, family and peers are often the first port of call for most businesses seeking advice, there is a wide range of private and not for profit sector support. Government, nationally and locally, also provides support where there is an obvious gap in the market. However, small businesses indicate that to make the most of the support, it needs to be simpler and clearer to understand and easier to access. In Small Business: Great Ambition, BIS set out their commitment to making it easier for businesses to get the right support at the right time including by simplifying the landscape for business support. As part of this commitment BIS undertook a review of national Government business support to identify those schemes that were poorly targeted or under-performing and where there were opportunities for bringing schemes together to deliver a better, more efficient service.

The review concluded that Government's offer to businesses needed to be clearer and simpler to understand. The review recognised the role that Growth Hubs have in rationalising and simplifying the business support landscape at the local level, where confusion over access and proliferation of schemes is equally significant. Carrying out a local review of business support will underpin the creation of a more coherent local landscape for business support, which is a core aim for Growth Hubs. Critical to the success of the review is the involvement of local business support organisations within the area. It's important to have senior level buy-in and positive engagement from the outset to ensure organisations willingly provide the necessary information relating to their schemes, and crucially be part of the process by which duplication, support overlaps and gaps in provisions are identified.

BIS sponsored a number of pilot reviews and the emerging best practice suggests the formation of a senior level group to oversee the review. However, rather than establishing a new steering group it is recommended that the Business Support Management Board performs that role for the Lancashire review.

B Key Issues / Principles

The Lancashire Growth Hub is developing a methodology to undertake a local review. This will broadly adopt the principles set out in DBIS' Business Simplification Review Toolkit, and learning from the national pilots.

- **Economic Review:** Business support simplification must be linked to an in depth understanding of the Lancashire economy. There is a growing body of evidence through the LEP, including an assessment of key growth sectors, identifying barriers and opportunities in the local business base. The business support landscape must be designed to provide a platform for growth in those priority areas

and not operate in isolation. This part of the review would include a business needs assessment and synopsis of the LEP's evidence base.

- **Governance Review:** a review of local governance structures to understand what groups and organisations exist? What are their goals and objectives? And importantly, how do they communicate between themselves and the local business community? We also need an understanding of the flows of public funding to organisations and programmes. For example, through effective European Programme governance, less duplication and greater transparency of roles can be achieved in a much more strategic manner.
- **Programme Gap/Duplication Analysis:** a mapping exercise to understand the full range of support available, both national and local products, this will seek to identify the type of business that are being targeted and the support on offer. Alongside the governance and economic review this will provide a better understanding of where duplication occurs and also identify the gaps and improve provision in those thematic areas linked to the strategic ambitions of the LEP.
- **Project evaluation:** The short term nature of many business support projects and programmes, has often led to projects being 'recommissioned' or scrapped without the benefit of a robust evaluation. Boost Business Lancashire has undertaken a 'mid-term' evaluation and it is important that the Growth Hub establishes performance baselines. A strong evaluation mechanism should be an integral part of the Growth Hub to develop a much stronger evidence base to inform future policy development. This should go beyond a simple understanding of funding outputs, but an assessment of the wider economic outcomes achieved by the respective programmes and projects.

The business simplification review must also provide a day-to-day resource for front line Growth Hub advisors; it should help to inform the initial diagnostic and subsequent pathway a client takes. As such, the review must become a 'live' document that can be updated on an iterative basis; this will also provide an ongoing monitor for the LEP's Business Support Management Board to guard against the proliferation of new products and services.

The scope of the simplification review will include public (including local authorities), private (only those delivering public funded services), Universities, and community and voluntary sector business support organisations. The research will make use of questionnaires, focus groups, and one-to-one meetings. It will be important to adopt a transparent and inclusive tone to the review, and this must be communicated from the outset to achieve full buy-in from key partners. There's also a commitment to share best practice with other growth hubs through the appropriate networks.