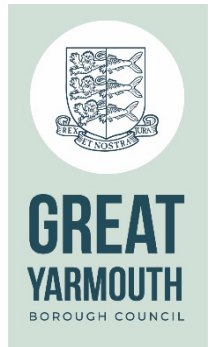


URN: 22-066

Subject: Enterprise Hub Update

Report To: Economic Development Committee, 9 January 2023

Report By: Victoria Mallender, Economic Growth Manager



Subject Matter / Recommendations

This report presents to members an overview of engagement and activity undertaken to deliver the outputs and objectives of the successful Community Renewal Fund (CRF)-funded 'Enterprise Hub' pilot in Market Gates, which concluded on 21 December 2022.

The pilot met or exceeded its CRF impact indicators and outcomes and has generated significant insights into local need/demand that could enable further intervention to address (a) a relatively subdued local enterprise culture, (b) stimulate entrepreneurialism, (c) tackle relatively high five-year enterprise mortality rates, and (d) support self-employment as a viable route into economic inclusion for residents.

Members are asked to:

- 1) Acknowledge the success of the 'Enterprise Hub' pilot as an intervention delivering on-the-ground business support in Great Yarmouth.**
- 2) Note that the final outcome figures presented in the appended Dashboard Report (*Annex A*).**
- 3) Request officers continue to explore opportunities for collaboration and/or further sources of funding to enable the learning from this successful pilot to be sustained within the borough as outlined in Section 5 of this report.**

1. BACKGROUND

- 1.1 This report summarises delivery of the successful CRF-funded 'Enterprise Hub' pilot in Market Gates, Great Yarmouth led by the Council's Economic Growth team within the Inward Investment Service. His Worship, the Mayor, formally opened the Hub on 10 August 2022, following a 'soft launch' to test IT systems, format and marketing/outreach in the weeks beforehand.
- 1.2 Total project costs of around £95,000 are to be claimed through a New Anglia-managed CRF project, including the provision of 1 GYBC-employed Business Advisor, 1 Business Advisor seconded from the MENTA enterprise agency, marketing, targeting and outreach, rental of the commercial unit within Market Gates and other running costs. CRF-funding for the project ceases at the end of 2022, following an extension previously negotiated with New Anglia LEP.
- 1.3 A separate Town Centre Partnership-run, CRF-funded project provided the initial rent and fit-out of the unit, with that project and financial contribution ceasing in September 2022.
- 1.4 The pilot provided support that cut across several of the CRF community renewal fund themes, including:

- Increasing skills levels and employability in beneficiaries, even those who do not ultimately start a business.
- Assisting businesses to create jobs and improve the longevity and stability of businesses
- Helping individuals to investigate self-employment as an employment option
- Establishing start-up businesses with a low carbon footprint
- Enabling take up of vacant property
- Revitalising some small start-ups whose growth and stability has been affected during the Pandemic
- Supporting vulnerable groups and with marketing targeted to ensure that delivery engages anyone within the borough interested in starting a business
- Creating a collaborative new enterprise space from a repurposed vacant building

2. GREAT YARMOUTH 'ENTERPRISE HUB' PILOT

- 2.1 The vacant unit within Market Gates – previously a COVID testing centre and 'Game' store – was selected in collaboration with the Town Centre Partnership, providing a visible, accessible presence within the Town Centre and benefiting from and contributing to footfall. The facility provided sufficient space for a reception, one-to-one meetings/mentoring, one-to-many events and training and the co-location of staff from trusted third parties – Norfolk Chamber, the Town Centre Partnership, Nwes, MENTA and others – providing complementary services, such as facilitated applications to the Government-backed Start-Up Loans Scheme.
- 2.2 The 'mission' of the pilot was to establish the need and demand for free, confidential and impartial support for pre-start, new and established businesses in order to stimulate and sustain local enterprise. As such, it represented a key piece of enterprise infrastructure, providing outward-facing, broad-based, trusted and responsive support to businesses and individuals at every stage of development, but focussing on newer or smaller business and people exploring self-employment as a route to economic inclusion.
- 2.3 Partners and co-locatees have worked to foster/sustain enterprise culture collaboratively to provide a friendly, inviting, and responsive one-stop-shop to accommodate pre-booked appointments, walk-ins, meetings/training, events, networking, and clinics. Business advisors promoted and hosted an ongoing programme of in-house and third-party events, corresponding to local need, with regular drop-in surgeries providing practical assistance and opportunities to address individual challenges/opportunities, such as diversification, business planning, scaling up/down, HR and workforces, marketing and digitalisation.
- 2.4 The CRF funding conferred specific targets to engage economically-inactive individuals, the unemployed and the employed and works with enterprises at three different stages of their development, with Business Advisors providing carefully tailored support at each:
- **Pre-start enterprises;** typically one or more individuals accessing support and mentoring to research and plan products/services in order to develop and validate a scalable business model Breakdown of all engagements by enterprise development stage
 - **Start-up enterprises;** typically enterprises in the first stages of operation and trading, often lacking a fully developed business model or adequate capital to move onto the next phase of business
 - **Established enterprises;** enterprises that have commenced trading or commercial operations, typically aiming to continue to grow revenues, profits and customers within their particular industry

2.5 The pilot is expected to meet or exceed contracted CRF impact indicators and outcomes. An Enterprise Hub Dashboard Report is presented in *Annex A*. The pilot has demonstrated the extent of both need and demand and the principle of embedding this kind of service within the Town Centre.

3. RISK IMPLICATIONS

3.1 There are a number of common risks that apply to time-specific funded project work, including an inability to achieve contracted deliverables/outputs, the adequacy of project costings/budgets and the availability of capacity/staff. Of these, risks relating to the delivery of the project were mitigated with careful planning and regular monitoring. Any further risks associated with the delivery of the pilot expired with the closure of the facility which was planned. Final reporting and the successful drawdown of the CRF funding from New Anglia LEP will now be completed.

4. FINANCIAL IMPLICATIONS

4.1. The Enterprise Hub pilot budget agreed with the LEP was £98,163. The value of the final claim, subject to verification checks and corresponding to actual direct costs incurred by GYBC, will be £95,279.

4.2. There are no outstanding or ongoing costs associated with the project; the secondment from MENTA ceases at the end of 2022, the GYBC Business Advisor will be now funded separately from CRF, arrangements for the unit in Market Gates – rent, utilities etc. – will conclude and the Town Centre Partnership will recover its furniture and fittings.

4.3. Any further risks associated with the delivery of the pilot expire with the closure of the facility – as planned – final reporting and the successful drawdown of the CRF funding from New Anglia LEP.

5. CONCLUSION

5.1 This report presents to members an overview of engagement and activity undertaken to deliver the outputs and objectives of the successful Community Renewal Fund (CRF)-funded Enterprise Hub pilot in Market Gates, which will conclude on 21 December 2022.

5.2 Members will be pleased to know that the pilot met or exceeded its CRF impact indicators and outcomes and has generated significant insights into local need/demand that could enable further intervention as and when funding becomes available. These include services to address (a) a relatively subdued local enterprise culture, (b) stimulate entrepreneurialism, (c) tackle relatively high five-year enterprise mortality rates, and (d) support self-employment as a viable route into economic inclusion for residents.

5.3 The Date Dashboard (*Annex A*) summarises the key quantitative data in respect of the ‘impact indicators’ and ‘outcomes’ attached to the CRF funding. The pilot has demonstrated the extent of both need and demand and the principle of embedding this kind of service within the Town Centre.

5.4 There is some potential future funding provision within the UK Shared Prosperity Fund (UKSPF) Investment Plan, with a high-level summary provided for an ‘Enterprise Hub and Accelerator

Project' in 2023/24 and 2024/35 under intervention E24, *funding for new and improvements to existing training hubs, business support offers, 'incubators' and 'accelerators' for local enterprise.*

5.5 In early 2023, officers plan to capture and evaluate wider key learning from the pilot, including physical format, promotion, the co-location of third parties and cross-referral mechanisms. Whilst the parameters of any new UKSPF-funded intervention have yet to be determined, proposals will be directly informed by the pilot before recommendations are presented to the Economic Development Committee for consideration.

6. BACKGROUND PAPERS

- **Annex A: Enterprise Hub Dashboard Report**

Area for consideration	Comment
Monitoring Officer Consultation:	As part of the ELT process
Section 151 Officer Consultation:	As part of the ELT process
Existing Council Policies:	Not applicable
Financial Implications:	Not applicable
Legal Implications (including human rights):	None
Risk Implications:	Not applicable
Equality Issues/EQIA:	None
Crime & Disorder:	None
Every Child Matters:	Not applicable

THE HUB SUPPORTING BUSINESSES IN THE BOROUGH



Enterprise Hub Dashboard Report, 16 December 2022

GYBC Economic Growth

Current outputs against contracted CRF impact indicators

PROJECT IMPACT INDICATORS - which groups will this activity target?		TARGET	OUTPUT
People*	No. economically inactive people	20	15
	No. unemployed people	20	44
	No. employed people	23	185
	Total	63	244
Businesses*	No. small (<50 FTEs, <£10m turnover)	25	103
	No. medium (<250 FTEs, <£50m turnover)	0	0
	No. Large (>250 FTEs, >£36m turnover)	0	1
	Total	25	104
Organisations*	No. public organisations	0	6
	No. private organisations	45	139
	No. voluntary sector organisations	0	1
	Total	45	146
PROJECT IMPACT INDICATORS - what types of support will this activity provide?		TARGET	OUTPUT
Direct Support*†	No. one-to-one support beneficiaries	23	89
	No. one-to-many support beneficiaries	56	98

* data do not include impact indicators achieved by co-located partner organisations

† of which 0 are beneficiaries of both one-to-one and one-to-many support

Current workflow pipeline

	ONE-TO-ONE	ONE-TO-MANY
Total number of beneficiaries engaged	119	133
Total number of beneficiaries assisted	89	98
Total number of support sessions scheduled	5	6
Total number of no-shows	22	29
Number of additional beneficiaries supported by partner organisations at the Hub	49	14

Breakdown of all engagements by enterprise development stage

Pre-start enterprise

Typically one or more individuals accessing support and mentoring to research and plan products/services in order to develop and validate a scalable business model

Start-up enterprise

Typically an enterprise in the first stages of operation and trading, often lacking a fully-developed business model or adequate capital to move onto the next phase of business

Established enterprise

Enterprises that have commenced trading or commercial operations, typically aiming to continue to grow revenues, profits and customers within their particular industry



Current outcomes against contracted CRF outcomes

OUTCOME DESCRIPTOR	TARGET	OUTCOME
People in education/training following support	2 people	3 people
People engaged in job searching following support	3 people	2 people
Businesses introducing new products to the market as a result of support	1 business	1 business
Businesses introducing new products to the firm as a result of support	1 business	1 business
Employment increase in supported businesses as a result of support	1 FTE	1 FTE
Jobs safeguarded as a result of support	1 FTE	1 FTE
Number of new businesses created as a result of support	10 businesses	10 businesses
Organisations engaged in knowledge transfer activity following support	1 organisation	1 organisation
Investment attracted as a result of support	£5,000	£32,128
Innovation plans developed as a result of support	1 person	1 person

CRF outcome definitions

People in education/training following support

People who have received support and who are newly engaged in education (lifelong learning, formal education) or training activities (off-the-job/in-the-job training, vocational training, etc.) immediately upon leaving the operation. Education or training is defined as a structured and agreed programme of: lifelong learning; formal education; educational and/or vocational training activities (this may include on the job and/or off the job vocational training or a combination of the approaches listed).

People engaged in job searching following support

Economically inactive people who have received support and who are newly engaged in job searching activities following that support. "Engaged in job searching" is to be understood as persons usually without work, available for work and actively seeking work i.e. unemployed.

Businesses introducing new products to the market as a result of support

A product is new to the market if there is no other product available on a market that offers the same functionality, or the design or technology that the new product uses is fundamentally different from the design or technology of already existing products. Products can be tangible or intangible (incl. services and processes). Support must be for a business to introduce one of the following: 'Product' - when it is either at pre-launch or launched to the market; 'Process' - when it has been introduced into the business; 'Service' - when it has been introduced to the market.

Businesses introducing new products to the firm as a result of support

A product is new to the firm if the enterprise did not produce a product with the same functionality or the production technology is fundamentally different from the technology of already produced products. Products can be tangible or intangible (including services). The indicator measures if an enterprise is successfully supported to develop a "new to the firm" product. It includes process innovation as long as the process contributes to the development of the product. In case of cooperation operations, the indicator measures all participating enterprises to which the product is new.

Employment increase in supported businesses as a result of support

A new, permanent, paid, full-time equivalent (FTE) job created following support. This includes both part-time and full-time jobs, which should be recorded relative to full-time equivalent (FTE). FTE should be based on the standard full-time hours of the employer. New means it should not have existed with that employer before the intervention. Permanent means it should have an intended life expectancy of at least 12 months from the point at which it is created.

Jobs safeguarded as a result of support

A permanent and paid job at risk prior to when support was provided, and which the support will help the business to retain. This includes sole traders and business owners. This includes both part-time and full-time jobs, which should be recorded relative to full-time equivalent (FTE). FTE should be based on the standard full-time hours of the employer. "At risk" is defined as being forecast to be lost within 6 months.

Number of new businesses created as a result of support

A new business is one which has been registered at Companies House or HMRC as a result of the support provided.

Organisations engaged in knowledge transfer activity following support

This focuses on collaborations which are about transferring good ideas, research results and skills between the knowledge base and business to enable innovative new products and services to be developed and includes but is not exclusively limited to: Research collaborations and free dissemination of research; Joint and long-term development of new business or services; Formation of joint ventures and spin-out companies.

Investment attracted as a result of support

The gross amount of direct tangible investment attracted as a result of support.

Innovation plans developed as a result of support

An organisation as a result of support produces or enhances an existing innovation plan.