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<b>REPORT TO:</b>	<b>Environmental &amp; Development Services</b>	<b>AGENDA ITEM: 8</b>
<b>DATE OF MEETING:</b>	<b>23 August 2012</b>	<b>OPEN</b>
<b>REPORT FROM:</b>	<b>Mark Alflat Director of Operations</b>	
<b>MEMBERS' CONTACT POINT:</b>	<b>Mike Roylance 01283 595725 mike.roylance@south-derbys.gov.uk</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>Business Advice</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>All</b>	<b>TERMS OF REFERENCE: EDS10 &amp; EDS11</b>

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## **1.0 Recommendations**

- 1.1 It is recommended that the Committee supports the establishment of a business advice service for the remainder of 2012/13.

## **2.0 Purpose of Report**

- 2.1 To seek Member's support to provide a business advice service, filling a gap in the support provided to local companies that has emerged due to ongoing changes in the activities of other agencies.

## **3.0 Detail**

### **Background**

- 3.1 The regional Business Link adviser service funded by the former East Midlands Development Agency (EMDA) ceased in November 2011. This provided a range of support to businesses and those considering self-employment, including free independent, one-to-one, face-to-face advice plus training on topical issues and general business skills.
- 3.2 Business Link and other EMDA-funded advisers worked with businesses of all sizes from pre-start and start-up enterprises through to large established concerns and foreign-owned investors. This included specialists with in-depth knowledge of particular issues or sectors.
- 3.3 Business Link is now principally a web-based service where businesses can view information and advice. The Government has put in place some new services, for example, the Work Programme 'Enterprise Clubs' enable jobseekers to meet with other people who are interested in becoming self-employed. It is also seeking to recruit a network of volunteer business mentors through the *mentorsme.co.uk* initiative.

- 3.4 The Government has continued to fund some services, in particular advice and support to manufacturers and their support industries through the Manufacturing Advisory Service (MAS), together with UK Trade & Investment (UKTI) which assists UK companies to export and overseas businesses to invest in the UK. Most recently, the Growth Accelerator project has been launched which will provide subsidised coaching and training to a select number of high growth businesses.
- 3.5 At a more local level, the role of 'D2N2' – the Local Enterprise Partnership for Derby, Derbyshire, Nottingham and Nottinghamshire - is still emerging. Meanwhile, the future function of the Derbyshire Economic Partnership is currently being reviewed. There is presently some limited ad hoc provision of business start-up workshops in the District but it is unclear whether this will continue.
- 3.6 Clearly, this leaves a gap in terms of a general business advice service that would address the needs of companies not meeting the criteria of the main Government-funded programmes.

### **Service Proposal**

- 3.7 It is proposed to put in place an interim business advice service, operating initially until 31 March 2013. This would provide vital support to local businesses whilst the future activities of other agencies emerge.
- 3.8 The service would offer free, independent, face-to-face, one-to-one business advice to entrepreneurs and companies in the District. It would be designed to complement the targeted support provided by the MAS and UKTI services, the Growth Accelerator project and other smaller scale initiatives. The service would raise awareness and make referrals to these other forms of assistance, aiming to maximise their take up and so the benefits for South Derbyshire. It would particularly benefit new start and smaller businesses which were not in a position to pay for business advice services from commercial providers.
- 3.9 The service would operate on a pilot basis for approximately six months, during the second half of 2012/13. Opportunities would be explored to attract other funding which would enable the hours of operation of the service to be extended. At the end of the period the service would be reviewed, in the light of its achievements, the services being offered by other agencies and available budgets. It would then be concluded or extended accordingly.
- 3.10 A Business Adviser would operate for the equivalent of approximately one day per week, typically meeting businesses on their premises. Their role would be to work directly with businesses and they would be supported by the Economic Development team, for example, in terms of raising awareness of and administering the initiative. The Business Adviser could be procured by inviting quotations from service providers or appointed through the creation of a temporary post. These options will be fully considered once the proposal is agreed.

### **4.0 Financial Implications**

- 4.1 The revenue cost of providing the service for approximately one day/week for a period of some six months is expected to be up to £5,000 in 2012/13. This would include the cost of Adviser time, plus related travel and telephone costs. This would be funded from existing South Derbyshire Partnership funding provided to the

Partnership's Sustainable Development Group and reviewed prior to any commitment beyond March 2013.

## **5.0 Corporate Implications**

- 5.1 Supporting businesses in South Derbyshire contributes directly to the Corporate Plan's vision to 'make South Derbyshire a better place to live, work and visit' and to the theme of 'Sustainable Growth & Opportunity – strengthening South Derbyshire's economic position within a 'clean' and sustainable environment'.
- 5.2 The provider of the business advice service will need to hold appropriate insurance.
- 5.3 The District Council will promote the service to businesses in the area, through the Policy & Communications and Economic Development teams.

## **6.0 Community Implications**

- 6.1 Supporting businesses in the area contributes directly to the South Derbyshire Partnership's Sustainable Community Strategy vision of 'a dynamic South Derbyshire, able to seize opportunities to develop successful communities, whilst respecting and enhancing the varied character of our fast growing district'. 'Sustainable Development' is highlighted as a key theme, with the aim of achieving 'sustainable existing and new communities that meet the population's needs and aspirations.

## **7.0 Conclusions**

- 7.1 The provision of a business advice service would proactively assist the formation of new businesses and the survival and growth of existing businesses in the current challenging economic climate.

## **8.0 Background Papers**

- 8.1 Not applicable.