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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>11 April 2013</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>Mark Alflat Director of Operations</b>	<b>OPEN</b>
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<b>SUBJECT:</b>	<b>South Derbyshire Business Advice Service</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 operation of the South Derbyshire Business Advice Service, and that funds are reprioritised in order for the service to be extended.

## **2.0 Purpose of Report**

2.1 To seek Member's support to continue the South Derbyshire Business Advice Service. The Service's pilot period proved to be very successful and further growth in demand from businesses is anticipated.

## **3.0 Detail**

### **Background**

- 3.1 In August 2012 Members approved the piloting of a business advice service to the end of the 2012/13 financial year. This aimed to fill a gap in terms of the provision of a general business advice service that would address the needs of companies not meeting the eligibility criteria of the specific Government-funded programmes.
- 3.2 The regional Business Link adviser service ceased in November 2011, along with a number of other support services funded by the former East Midlands Development Agency. Business Link is now principally a web-based service where businesses can view information and advice.

### **Service Provision**

- 3.3 The South Derbyshire Business Advice Service commenced in November 2012. It has offered free, independent, face-to-face, one-to-one business advice to entrepreneurs and companies in the District, designed to complement the targeted support provided by Central Government initiatives such as the GrowthAccelerator project. The Service has aimed to particularly benefit new start and smaller

businesses which are not in a position to pay for business advice services from commercial providers.

- 3.4 The Business Advisers have operated as mobile workers, typically meeting businesses on their own premises. They have been supported by the Economic Development team, for example, in terms of administering the initiative, marketing the service and operating the telephone line.
- 3.5 59 established enterprises have been assisted, plus 8 that have been intensively assisted. A further 12 start-up businesses have been assisted, together with 12 'pre-starts' – these are individuals who may be currently in employment or claiming unemployment benefits but are considering self-employment and are keen to learn about what is involved and whether it is right for them (Figures are to the end of February 2013).
- 3.6 The beneficiary businesses have been geographically spread throughout the District and ranged from new sole traders through to larger long-established businesses. They have been drawn from a range of sectors including: distribution, engineering, accountancy, retailing, manufacturing, catering, car repairs, construction, care, publishing, electronics, cleaning, financial services and tourism.
- 3.7 Issues that businesses have sought advice on have included: taking on an apprentice, online marketing and sales, the implications of moving to new premises, improving cash flow, company pension schemes, workforce training, pricing structures, human resource issues, quality systems, patenting, funding and forward planning. Meanwhile, new enterprises sought assistance with matters such as business planning, funding, legal status and marketing.
- 3.8 The Business Advisers have also introduced companies to other agencies and organisations, including the Manufacturing Advisory Service (which provides specialist advice and support to the sector and its support industries), the Department for Environment, Food & Rural Affairs, and UK Trade & Investment (which assists companies to export). By raising awareness and making referrals to these agencies and sources of assistance, the Business Advice Service can maximise their take up and so the benefits for South Derbyshire.
- 3.9 Positive feedback has been received from entrepreneurs who have benefitted from the Business Advice Service such as Wonderland Publications. Co-founder Paul Skellett said, "The mentoring provided ... has been essential. It's not only grounded information but also the clarity with which they approach the problems. They take a genuine interest in what we do and are a great sounding board. As well as your own passion it helps to have the enthusiasm of battle hardened businessmen behind you ... They offer advice regarding strategy and always remain positive, helping us grow ... These guys know exactly what they are talking about."
- 3.10 A survey of beneficiaries to date found that 100% of respondents rated the quality of the Service provided as Good or Excellent. When asked what they felt would be the impact of the Service on the growth and development of their business, 88% of respondents felt that it was Positive or Very Positive. Comments received included the following: "I can honestly say that without ... [the Adviser] ... I would not have taken the step of starting my own limited company"; "Its been practical, knowledgeable, professional and totally trustworthy"; The most useful aspect of the Service is the invaluable support, without which I would feel very isolated"; and "We

congratulate whoever has had the foresight to implement this Service as a practical approach to the problems and sustainability of small business enterprises”.

- 3.11 In addition to the one-to-one advice, the Service has staged a ‘Thinking of starting a business?’ event – a half day workshop for individuals considering starting their own enterprise. This was attended by fourteen people with very positive feedback from the participants who found the event informative: “Easy to understand and follow the information given”; “I learned a lot and gave me more to think about”; and confidence-building, “Knowing that I can apply this knowledge and make it work”.

#### **4.0 Financial Implications**

- 4.1 The cost of operating the Service will be met from existing budgets, with funds being reprioritised in order to extend the initiative. Where opportunities arise, additional funding will be sought from partner organisations to develop the Service. Support will also be sought from the South Derbyshire Partnership.

#### **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 must 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 Continued support for the South Derbyshire 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.