

**REPORT TO:** PLACE SCRUTINY COMMITTEE  
**Date of Meeting:** 09 June 2016  
**Report of:** Economy & Tourism Manager  
**Title:** Update on Support for Small Businesses

**Is this a Key Decision?**

No

**Is this an Executive or Council Function?**

Executive Function.

**1. What is the report about?**

1.1 To update Place Scrutiny Committee on the progress made to procure a new contractor to provide business support for embryonic, new and existing businesses, covering Exeter, East Devon, Mid Devon and Teignbridge - Exeter & the Heart of Devon (EHOD).

**2. Recommendations:**

2.1 That members note this report.

**3. Reasons for the recommendation:**

3.1 That members note the decision to award to the contract to BIP and Cosmic for the delivery of Exeter & the Heart of Devon Business Support & Advice, and that meetings are held with the successful bid contractor.

**4. What are the resource implications including non financial resources:**

4.1 Officer time to manage the contract, which is met from existing budgets.

**5. Section 151 Officer comments:**

5.1 There are no additional financial implications contained within this report.

**6. What are the legal aspects?**

6.1 Please see below.

**7. Monitoring officer Comments**

7.1 It is understood that the Councils jointly let contract for a period of one year because of the future funding uncertainty. However, it seems that funding has very recently been agreed for a further two years. This means that the contract will have to be re let in April 2017 following a procurement procedure which complies with the European Union contract regulations.

**8. Background**

8.1 In January 2016 Economy Scrutiny Committee received a report on the City Council's funding of free professional business advice and guidance to support the start up and early survival of small businesses in Exeter.

- 8.2 Economy Scrutiny and Executive Committee at Exeter City Council together with corresponding Committees at East Devon, Mid Devon and Teignbridge District Councils agreed to each contribute £25,000 to a new pooled Exeter & Heart of Devon Business Support service from April 2016.
- 8.3 BIP's (Business Information Point) joint submission with Cosmic scored the highest and were subsequently appointed to deliver the Exeter & Heart of Devon Business Support service from the 1 April 2016 for 12 months.
- 8.4 The previous Exeter Business Support contract was brought to an end 31 March 2016 and client data returned to Exeter City Council.
- 8.5 The range of advice and business support offered by the new contractor has the main benefit of ensuring expertise is available across the EHOD area and across a wide spectrum of business needs which encompasses support for pre-starts, start-ups, and existing businesses; from privately owned entities to social enterprises, co-operatives, and mutuals and spans smaller 'traditional' to innovative/high growth businesses.
- 8.6 The following types of small business clients can receive support from the new service in the local authority areas of Exeter, East Devon, Mid Devon and Teignbridge:
- pre-starts not supported or eligible for assistance with other providers
  - start-ups (0 – 2 years of age)
  - those which are struggling to survive but have the potential to grow and are unable to afford fees charged by other providers (0 – 5 years of age)
  - existing businesses with growth potential but are not eligible for support through the new Growth Hub programme
- 8.7 As part of the City Council's overall contribution towards business support a range of other activity is also provided directly or in partnership with other organisations. These include:
- information for businesses on the City Council's website including the on-line Exeter Commercial Property Register
  - Exeter Business Centre (Marsh Barton)
  - retail shops leased by the Estate Services
  - partnership activities with the Exeter and the Heart of Devon Employment and Skills Board
  - Heart of the South West Local Enterprise Partnership business support through the Growth Hub

## 9. Partnership Working

- 9.1 The day to day management of the contract will be undertaken by officers at Exeter City Council with support from neighbouring local authorities, with Exeter City Council acting as the accountable body.
- 9.2 BIP will report against the KPIs listed below, once a month and provide a detailed report once a quarter.

Outputs secured for business support services	2016-2017 Target for	2016-2017 Target for	2016-2017 Target for	2016-2017 Target for	Total Target
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<b>to be equal across the four EHOD local authority areas</b>	<b>Exeter</b>	<b>East Devon</b>	<b>Mid Devon</b>	<b>Teign-bridge</b>	<b>2016 – 17</b>
Pre-start businesses assisted (yet to start trading)	125 clients	125 clients	125 clients	125 clients	500 clients
New businesses assisted (0 – 1 years trading)	35 clients	35 clients	35 clients	35 clients	140 clients
Existing small businesses assisted (1+ years trading)	35 clients	35 clients	35 clients	35 clients	140 clients
Number of new businesses set up	40 FTE	40 FTE	40 FTE	40 FTE	160 FTE
Number of new jobs created	60 FTE	60 FTE	60 FTE	60 FTE	240 FTE
Participants at EHOD workshops	200	200	200	200	800
Follow up meetings with clients	200	200	200	200	800

9.3 The working title of 'Exeter & Heart of Devon Business Support and Advice Service' was agreed to be too long and unwieldy for everyday use. Officers from all 4 local authorities worked closely with BIP and Cosmic to develop a new more appropriate name for the service - Business Boost. A logo has since been developed, as shown in Appendix 1.

9.4 A Press Release promoting the new service was released shortly after BIP and Cosmic were appointed. The new service has been publicised widely through business networks, social media and by each of the local authorities. BIP have produced a flyer to promote the service and are in the process of creating a new website promoting Business Boost.

9.5 A programme of business support events have been created (a requirement of the contract) which will take place across all four local authority areas, to improve accessibility for users of the service. The initial programme of events are listed in Appendix 2. BIP will be using their delivery partner Cosmic to provide digital, social media and web support to clients of Business Boost and attendees of relevant workshops.

## **10. Future Position**

10.1 The Exeter & Heart of Devon Business Support & Advice contract is for one year in length. During 2016 the contract will be reviewed on a quarterly basis by all four local authority partners, with a view to retendering the contract for April 2017.

10.2 Innovation Exeter is researching the type and level of business support available for high growth technology and knowledge based businesses located in the city, with the potential of providing business support for these specialist businesses. This type of business support is not covered by the Business Boost service.

## **11 How does the decision contribute to the Council's Corporate Plan?**

11.1 Exeter & Heart of Devon Business Support and Advice contributes to 'Building a stronger sustainable city' and the main purpose of 'Help me run a successful business' in promoting the city as a great place to do business and supporting the local economy and creating jobs.

**12. What risks are there and how can they be reduced?**

12.1 Monthly and quarterly meetings will be held with the contractor to ensure KPI's are followed.

**13. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults; economy; safety and the environment?**

13.1 Business support and advice is provided to residents and businesses of Exeter and the Heart of Devon free of charge regardless of race, age, gender or orientation. Business ownership promotes a more balanced and versatile economy.

**14. Are there any other options?**

- 14.1 There are a number of options available regarding the provision of business support and advice in Exeter:
- Exeter, East Devon, Mid Devon and Teignbridge Councils revert to providing business support and advice individually at a higher cost to each local authority
  - Stop provision when the contract comes to an end in March 2017 and provide a signposting service to other providers covering Exeter leaving a gap in the nature of the provision
  - Stop provision completely when the existing contract comes to an end in March 2017 and negotiate the newly developed Heart of the South West LEP Growth Hub to provide business support to cover the four local authority areas.

**Maureen Gori de Murden, Senior Economy & Tourism Officer**

**Victoria Hatfield, Economy & Tourism Manager**

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

Contact for enquires:

Democratic Services (Committees)

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Appendix 1

Business Boost logo



## Appendix 2

## Programme of events organised by BIP and Cosmic

<b>Event</b>	<b>Deliverer</b>	<b>Date</b>	<b>Venue</b>
<b>Workshop: First Steps in Social Media</b>	<b>Helen- Cosmic</b>	<b>17.05.16</b>	<b>East Devon Business Centre 10.15- 12.30</b>
<b>Workshop: Getting Started with your First Website</b>	<b>Nina- Cosmic</b>	<b>23.05.16</b>	<b>East Devon Business Centre 10.15- 12.30</b>
<b>Workshop: Starting Your First Business</b>	<b>Chris- BIP</b>	<b>24.05.16</b>	<b>East Devon Business Centre 10.15- 12.30</b>
<b>Workshop: First Steps in Social Media</b>	<b>Helen- Cosmic</b>	<b>07.06.16</b>	<b>Exeter Civic Centre Max 10 attendees 10.15- 12.30</b>
<b>Workshop: Starting Your First Business</b>	<b>Petra- BIP</b>	<b>09.06.16.</b>	<b>Mid Devon TBC 10.15-12.30</b>
<b>Workshop: Getting Started with your First Website</b>	<b>Nina - Cosmic</b>	<b>10.06.16</b>	<b>Exeter Civic Centre Max 10 attendees 10.15- 12.30</b>
<b>Workshop: Getting Started with your First Website</b>	<b>Nina- Cosmic</b>	<b>13.06.16</b>	<b>Mid Devon Venue TBC 10.15 -12.30</b>
<b>Workshop: Getting Started with your First Website</b>	<b>Nina- Cosmic</b>	<b>20.06.16</b>	<b>Teignbridge Business Centre 10.15- 12.30</b>
<b>Workshop: First Steps in Social Media</b>	<b>Nina - Cosmic</b>	<b>20.06.16</b>	<b>Teignbridge Business Centre. 1.30 – 3.45</b>
<b>Workshop: Starting Your First Business</b>	<b>Jane- BIP</b>	<b>23.06.16</b>	<b>Teignbridge Business Centre 10.15 – 12.30</b>
<b>Workshop: First Steps in Social Media</b>	<b>Helen - Cosmic</b>	<b>27.06.16</b>	<b>Mid Devon TBC 10.15 -12.30</b>
<b>Workshop: Starting Your First Business</b>	<b>Chris- BIP</b>	<b>28.06.16</b>	<b>Exeter Civic Centre Max 10 attendees 10.15- 12.30</b>