

SIMPLIFYING BUSINESS SUPPORT

Government response to
consultation

DECEMBER 2007

Formal Government Response to the 'Simplifying Business Support' consultation

Executive summary

1. Government's aim for publicly-funded business support in 2010, set out in the 'simplifying business support' consultation, is to reduce the number of publicly-funded business support schemes in England to no more than 100 by 2010, to ensure publicly-funded support is:
 - Simple for business to understand and access;
 - Good value for money; and
 - has a substantial, measurable impact on public policy goals.
2. Simplification of business support will build on the Transformational Government agenda, which aims to simplify businesses' and citizens' experiences of Government. It will facilitate partnership working between public sector organisations funding and providing business support, in the interests of end users. There are already examples of this, including the partnership work between Business Link North East and the Association of North East Councils.
3. This document builds on the Initial Government Response to the Simplifying Business Support Consultation. It summarises responses received and provides further information on the future, shared framework for publicly-funded business support we are developing in the light of economic and other evidence and consultation feedback. This shared framework will enable Government and the broader public sector to implement our aim for business support in 2010.
4. Over 300 organisations and individuals responded to the consultation and hundreds more contributed comments through national and regional events. Every response was read and analysed and Ministers based decisions on the framework for future business support on this feedback and on the rationale and business case developed for each of the business support offers. The Impact Assessment¹ on the simplification of business support cites other sources of evidence used in developing the portfolio.
5. The majority of respondents broadly agreed that our proposals would make it simpler for businesses to know what publicly funded business support is available and how to access it.
6. In the light of the evidence and consultation feedback, Government has decided:
 - On an initial portfolio of 18 high-level business support offers;
 - That this portfolio should include support for business to protect the natural environment in the portfolio of future business support;
 - Support for export market research and export communications should be possible as part of appropriate products in the portfolio;

¹ Business Support Simplification Programme: Impact Assessment, <http://www.berr.gov.uk/files/file42642.doc>

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- The Business Creation and Finance and Investment Readiness offers will provide for intensive support to high-growth businesses in some circumstances;
 - That the business support portfolio will be available to all types of business, including social enterprises;
 - To consider further the case for local grants aimed at improving the built environment, for example shop front grants;
 - To develop delivery arrangements for each product in the portfolio that achieve economies of scale, whilst ensuring quality support that meets business needs: this is most likely to be achieved through co-procurement;
 - To develop its proposal for strategic management to ensure business support is kept simple in future;
 - That business is to be well represented on the Strategic Management Board.
7. Business Link will be developed as the primary publicly-funded access channel to business support. This will require further development of the service in some areas, to ensure it meets the needs of a diverse range of businesses and sectors, for example social enterprises and meets needs for local provision. In the spirit of simplification, Business Link will aim to build on best practice partnership working with Local Authorities, business support providers, business membership organisations and other key partners.
8. We have considered the areas where respondents thought there were gaps in the portfolio consulted on. Information, and in many cases advice, on these areas is available from Business Link. Business Link can also identify needs in these and other areas of support and provide brokerage to appropriate private sector, third sector or, where appropriate, publicly-funded solutions. Intensive support in many of these areas, for example mentoring and strategy development, can also be provided through the business support portfolio on a targeted basis.
9. Several respondents sought assurances that the proposals were not just a cost-cutting exercise. The simplification of business support is not a cost-cutting exercise and aims to ensure greater impact can be achieved with the same business support spend. Decisions on the amount of money spent on business support will continue to be made by each of the public-sector organisations funding business support. The simplified business support portfolio and access arrangements should help them to get the most out of the money they spend on business support.

Next steps

10. The full policy framework and vision for simplified business support will be announced by Spring 2008. In particular, we are collecting further evidence on the marketing and branding of business support, in order to develop this part of the framework. Work is already underway to develop the Business Link brand, service and offer to meet the changing needs of business support stakeholders. This work will be carried out in tandem with the marketing and branding work and should deliver recommendations for

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change by Spring 2008.

11. Work is continuing to turn the high-level portfolio in to the support businesses will experience. The first product should be available from March. As set out in the sub-national review of economic development and regeneration, this product definition will include decisions on the most appropriate levels for procuring and for delivering the support. A summary of actions to take the policy forwards is below paragraph 111.

Introduction

1. The simplification of business support aims to ensure all publicly-funded business support is easy for businesses to understand and access; meets business needs; is good value for public money and has a real impact on public policy goals. Business support can be a means of achieving economic, social, environmental and cultural objectives. In line with the vision set out in the sub-national review of economic development and regeneration, we aim to ensure publicly-funded business support contributes to sustainable economic growth in all parts of England.
2. The 'Simplifying Business Support' consultation document was published on 22 June. This sought views on Government's proposals for simplifying publicly-funded business support in England², in line with the commitment in Budget 2006 to simplify publicly-funded business support schemes from over 3000 to 100 or fewer by 2010. The consultation closed on 14 September 2007.
3. The consultation sought views on:
 - How to develop Business Link into the primary access route to business support and improve the customer experience of the business support network;
 - The set of business support interventions the public sector should fund;
 - How these should be marketed and delivered to business;
 - How to keep publicly-funded support simple in future.
4. The 'Initial Government Response to the Consultation on Simplifying Business Support to accompany the Pre-Budget Report' of 9 October 2007 summarised responses to parts of this consultation and steps to be taken towards simplification announced in the Pre-Budget Report. The Initial Government Response is at Appendix 2 to this document: it covered questions 1-4 and 8-9 from the 'simplifying business support' consultation.
5. This document explains decisions taken on business support interventions we flagged in the Initial Government Response as needing further consideration. It then summarises responses to the other consultation questions (questions 5-7 and 10-16) and other key issues respondents raised. It sets out the Government's response to these points and how the proposals we consulted on have been or will be developed in the light of feedback received.

Overview

6. Over 300 organisations responded to the consultation. Respondents included:
 - 47 organisations representing businesses: these included individual Chambers of Commerce; associations representing small businesses and

² *The Simplification of Business Support applies to the support provided in England; the Scottish Executive, Welsh Assembly Government and Northern Ireland Executive are responsible for business support in Scotland, Wales and Northern Ireland respectively.*

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specific sectors, particularly the creative industries and manufacturers; and some regional and local business forums;

- 42 individual businesses, many but by no means all of which are involved in providing publicly-funded business support services;
 - 74 local authorities and regional local authority representative bodies;
 - 17 sub-regional economic partnerships;
 - 14 Higher Education institutions;
 - 17 other public sector bodies, including the English Regional Development Agencies (RDAs) and a few current publicly-funded business support services;
 - 11 Business Link delivery organisations³;
 - 12 organisations representing Social Enterprise;
 - 18 Enterprise Agencies, as well as a response from the National Federation of Enterprise Agencies;
 - 6 professional bodies, representing accountants, scientists and local authority economic development officers;
 - 6 private individuals, some of whom were current or former Business Link advisers;
 - And about 50 other respondents, including voluntary organisations, a number of whom provide publicly-funded business support services.
7. In considering responses, we have taken account of both the number of respondents supporting a particular course of action and the strength of the evidence for a particular course of action. This is in line with the Government's Code on Consultation. Many of the respondents from business representative organisations summarise the views of a large number of members (for example, the response from the Federation of Small Business was informed by 2 700 members' responses to a survey). Most responses from RDAs include and summarise feedback from many businesses in the English regions sought and received as part of the consultation process (for example the South East, North West and East Midlands). We have taken note of this in considering whether a few, some, many or the majority of respondents expressed particular views.
8. The consultation responses showed strong support for the stated policy of simplification and general support for the framework for simplification consulted on. In the light of the feedback received from consultation, Government has:
- Modified the portfolio of business support offers (see Initial Government Response);
 - Decided to reflect on whether to proceed with the business support themes consulted on;
 - Decided to ensure strong business representation on the future strategic oversight body for business support.

³ The six Business Link organisations in the South East of England submitted a joint response

Future business support portfolio

9. Responses received to questions 1-4 are summarised in appendix 2, which reproduces the Initial Government Response to consultation published to support the Pre-budget Report. These questions sought views on:
 - (Question 1) Whether respondents thought the business support outlined in the consultation document adequately covers the key needs of business and helps achieve public policy aims outlined in the document;
 - (Question 2) Where respondents saw duplication in publicly-funded business support;
 - (Question 3) Where respondents felt support was adequately provided by the private sector, thereby reducing the need for publicly-funded support;
 - (Question 4) What publicly-funded business support they regarded as being of the highest priority.

10. The Initial Government Response to the consultation set out the initial future portfolio of high-level business support offers, in other words, the broad areas in which the public sector might intervene. It also set out areas consulted on in which Government might continue to intervene by providing business support, depending on whether there was a strong business case. These were:
 - The ‘Protecting the Natural Environment’ offer consulted on – this is to encourage businesses to adopt measures that reduce the negative and promote the positive impacts of their commercial activities on the environment;
 - Whether to continue to provide existing support to businesses for export market research and export communications as part of the “preparing to export” offer;
 - Whether to include high-growth businesses as eligible candidates for intensive support from the “business creation” offer;
 - Eligibility criteria for the ‘finance and investment readiness’ offer.

11. In the light of economic and business case evidence and consultation responses, Ministers have decided to include all these areas of business support in the future portfolio.

12. Government has decided that it should continue to be possible to provide publicly-funded business support aimed at **protecting the natural environment**. This support is justified, in order to address a number of market failures that mean the socially desirable level of environmental services is unlikely to be delivered without government intervention. We will consider further how to deliver this support consistent with Business Link acting as the primary access channel for publicly-funded business support and how to simplify and streamline the individual advisory services within the offer.

13. Publicly-funded business support in future can continue to include support for export communications and export market research. This is currently provided through the UKTI Export Market Research Scheme and the Export Communications Review Scheme. There is a sound economic rationale for

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these support activities.

14. It will be possible to provide intensive support to high-growth businesses as part of the Business Creation offer in some circumstances. These will occur when businesses at the creation stage are very clearly high-growth businesses and well-specified help would have a clear, positive impact. The means of intervention would be through mentoring and would be limited by a clear exit strategy. As with all publicly-funded business support, it will be important to ensure that, where this intervention is used, it will have the value of 'additionality' a measure of output which only occurred through public sector business support intervention. In other words, it does not do something the private sector (in this case a business angel) would do in the same circumstances anyway.
15. Eligibility for the Finance and Investment Readiness offer will also include high-growth businesses where well-specified help would very clearly be worthwhile. This would be delivered by means of training, to avoid duplicating the Business Creation offer.

Consultation responses on gaps in the portfolio

16. Consultation respondents cited a number of areas of business support they felt were not covered by the portfolio of business support offers consulted on but which ought to be. Appendix 1 to this document sets out what these areas were. The initial government response to the simplifying business support consultation committed to consider proportionately these and other areas respondents felt were not covered by the portfolio. Appendix 1 sets out Ministers' views. The areas cited most frequently by respondents were:
 - domestic sales and marketing support;
 - regulatory compliance;
 - information and communications technology and e-business; and
 - premises, including planning.
17. Comments received on 'gaps' in the portfolio mostly cited broad areas of business support interventions, rather than specific, targeted schemes. On the basis of the comments made, our analysis is that the Business Link information, diagnosis and brokerage service will address some of the issues raised, the portfolio of business support will cover many others, subject to targeting and eligibility considerations set out in the offers. Some issues, for example procurement and regulation, are being addressed through Government action that is not necessarily business support. Some areas (for example single premises support) need further consideration before deciding whether they are in or out of the portfolio. In the case of information and communications technology equipment, Ministers have decided there is no market failure rationale for publicly-funded support.
18. Support for social enterprises was identified as a gap in the portfolio consulted on. The products in the business support portfolio will generally be available to all types of business, including for example social enterprises, on the basis of the same eligibility criteria. Some offers, such

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as Local Community Business Coaching may be particularly relevant to social enterprises.

19. Further work will be needed to refine the portfolio and to ensure that its delivery targets the clear market failure and/or equity rationale for each intervention. As set out in the initial government response, it is important that the shared business support portfolio can easily be adapted to changing circumstances. It will be possible to add new products, where a strong business case can be made which is agreed by the strategic management board.

Q5: Do the Business Support themes make it easier for you to know what publicly-funded support is available to meet the needs of your business? Are they the right themes?

20. The majority of respondents thought the use of themes (although not necessarily those consulted on) to describe and group publicly-funded business support would be helpful. Business representatives and some business support providers thought the use of themes would help Business Link and other providers of support to refer businesses to the right support. Many respondents thought the themes consulted on were good, although there were some suggestions for changes, particularly additions (for example 'premises') and themes based on business lifecycle or sector specific themes. A few respondents found the grouping of some of the offers under a number of different themes confusing. Some representatives of the creative industries and social enterprise thought the proposed themes lacked resonance with these sectors. There was a strong call for consistency with the themes used on businesslink.gov.
21. While themes are thought to be helpful, the role of Business Link is seen as most critical to getting the right support. Several business support providers, Regional Development Agencies and business representatives thought the themes set out in the consultation document were of limited value for businesses who 'don't know what they don't know' and are unsure of the support they need. Many enterprise agencies thought a qualified, knowledgeable business adviser was key to making sure businesses got the right support. Respondents felt that Business Link would need improved marketing to reach new audiences and target particular sectors who may currently perceive it as too 'mainstream' for their needs (eg social enterprise and creative industries).
22. *Government is currently doing further work, to inform a shared framework for marketing and branding business support. Consultation responses to these questions are being considered as part of this. In the light of consultation, Government intends as part of this framework to develop a common set of business support themes - such as the themes set out in the consultation document or those on www.businesslink.gov.uk. Substantial business testing has already been done to develop the www.businesslink.gov.uk themes. Development of shared themes will involve business support providers and customers.*

Q6: To what extent will reducing the amount of branded business support make it easier to know what is available to meet the needs of your business?

23. Consultation has broadly confirmed there is a demand for reducing the number of business support brands, to reduce customer confusion. Many respondents from organisations representing businesses thought that reducing the number of brands would help the customer. However, some business support providers thought that keeping lots of brands improved choice.
24. Many respondents favoured an approach focused on a limited number of successful existing business support brands. Representatives of manufacturing business, including the Engineering Employers' Federation, cited the Manufacturing Advisory Service and a few respondents mentioned the Small Firms Loan Guarantee. A few Local Authority respondents mentioned Envirowise and the Carbon Trust. Some respondents thought the quality of support as or more important than reducing the number of brands and several thought clarity about what was on offer to whom was key.
25. *Given the feedback that reducing brands while retaining a limited number of successful existing brands would reduce customer confusion, Government will work to achieve this, as part of a shared marketing and branding framework currently being developed for business support. This framework will aim to ensure publicly-funded business support is easy to understand.*
26. Some local authorities favoured having the flexibility to co-brand locally, including joint branding with Business Link: they felt local brands were important to local businesses. Some representatives of social enterprises suggested Business Link should use co-branding to reach out to social enterprises; others thought separate but associated brands more appropriate.
27. *Business Link brand guidelines already cater for co-branding situations where organisations need to work together to engage with business audiences. The Business Link brand can be used alongside the brand of another organisation in order to market make, run events and deliver messages. Specific products belonging to the co-branding organisation would remain clearly under the ownership of that organisation to maintain the independence of Business Link. Co-branding scenarios for Business Link will be revisited as part of the Business Link brand development required going forward to develop Business Link as a primary access channel for all types of businesses and entrepreneurs. Work has already begun to make this change and the conclusions will inform the revision of the brand guidelines. Meanwhile, BERR will ensure that co-branding possibilities are better articulated and promoted.*

Q7 How can the delivery of business support be better arranged to minimise customer confusion and achieve economies of scale?

28. The principle that customer confusion should be minimised was strongly supported, although a few business support providers questioned whether customer confusion really existed. Some respondents suggested that quality assuring business support providers would reduce customer confusion and improve consistency. For example, the British Chambers of Commerce thought that 'confusion could also be reduced by ensuring that there was a robust method of quality assuring the providers of business support... [this] would mean the customer receives the same experience everywhere across the country' and the Social Enterprise Coalition recommended brokerage to quality assured advisers and services.
29. Some respondents thought reducing the number of public-sector players providing business support would help. The most repeated suggestions were that there should be a greater degree of co-operation between partners, with better co-ordination of business support activity and a greater degree of consistency both across and within regions.
30. There were a variety of suggestions about how to achieve economies of scale. Some respondents suggested national or regional contracts although opinion was divided as many respondents said that the pursuit of economies of scale might reduce intervention effectiveness if it limited scope for innovation. Business support providers were the main advocates of this viewpoint. A few also questioned the relevance of economies of scale and whether they were compatible with quality. A number of local authority and Enterprise Agency respondents said that businesses preferred their support to be delivered locally. A number of respondents thought either regional procurement or co-procurement by RDAs and local authorities would help achieve economies of scale. Business respondents generally supported action to achieve economies of scale, provided these did not reduce the effectiveness of business support delivery. The County Economic Development Officers' Society thought 'better coordination between delivery partners' could help achieve economies of scale.
31. A few respondents suggested increasing the use of technology to increase the amount of self-help material available on the Web. Administration costs and administrative processes for each scheme should be kept to a bare minimum this way. Some called for targets or controls on the amount of money spent administering business support and/or the centralisation of back office functions. A few also suggested 'standardised and simplified paperwork.' *In the light representations on simplifying paperwork, Government will consider whether and how the process of applying for publicly-funded business support could be made easier for business*
32. There were a few calls for a business support voucher scheme, in particular from the Institute of Chartered Accountants in England and Wales.
33. *In the light of analysis and these responses, all Central Government funded business support delivery activity will be procured nationally or regionally. In*

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practice most of it will be delivered locally, on client premises. Contract framework arrangements will provide scope for local authorities to augment business support provision locally quickly and easily.

- 34. As set out in the sub-national review, Government working with key stakeholders and within the framework outlined above, will assess the most appropriate procurement course (including further detail of the framework contracts) for each business support offer as product development proceeds. This will also facilitate the development of detailed delivery arrangements for each Product.*
- 35. Where the delivery of business support programmes is to be procured nationally, contract frameworks will enable RDAs and local authorities to augment national provision (see below). National procurement would ensure product consistency for universally available business support services (subject to any eligibility criteria for subsidised support) and would also provide scope to achieve benefits of scale through streamlining administration costs.*
- 36. As now, the Regional Development Agencies will procure the delivery of much business support, consistent with fulfilling their Regional Economic Strategies (RES). As set out in the sub-national review, RDAs will need to take account of local authorities' requirements: it is expected that the Regional Strategy will capture the business support needs of most Local Authorities. In doing this RDAs will be encouraged to establish call-off framework contracts that enable the Local Authorities within their regions to purchase business support to agreed quality and price levels. This will mean that Local Authorities can deploy local business support in a flexible way, but still enjoy the benefits of scale available in larger contracts. It should also allow the combined spending power at the regional and local levels to be harnessed more effectively to achieve common, agreed outcomes and enable local authorities to deliver business support more efficiently in their communities.*
- 37. There may be scope for some RDAs to co-procure elements of business support delivery (with other RDAs and/or local authorities), wherever this offers significant advantages (i.e. greater impact) over individual procurement. There may also be scope for local authorities to co-procure business support.*
- 38. Local Authorities will be able to make use of call-off contract frameworks, in order to augment the provision of business support at local level to ensure it best meets their needs. For example if a local authority wished to boost the number of a particular type of business support interventions in its area (or target them at a particular sector or geographic location) it would be able to make use of the framework contract for that service. There are advantages to this approach: consistent quality & price, easy to access (rapid deployment once the decision to intervene has been made, avoiding the need for time-consuming procurement exercises) and reduced administration costs. This should enable them to do more for their local*

communities with the same resource.

39. *We will further explore the scope for co-procurement of business support by the RDAs and local authorities. The teams tasked with developing the business support products will look at options for using online solutions and vouchers and business support procurers will also consider these options wherever procurement of delivery is devolved to them. Government already provides substantial advice and information on many areas of interest to business and those starting up in business on www.businesslink.gov.uk.*

Role of Business Link as primary access channel

40. The Initial Government Response to the ‘Simplifying Business Support’ consultation (attached at Appendix 2) summarises responses to questions 8 and 9 on how Business Link should best be developed as the primary access channel to publicly-funded business support.

41. This access channel needs to meet the needs of all types of businesses and improvements are being made, where this is necessary. For example, the Regional Development Agencies, the social enterprise sector and the Cabinet Office, Office of the Third Sector are working together to improve Business Link’s ability to broker business support for social enterprises⁴. Government will develop Business Link to meet the challenges of its broad role as the primary access channel to publicly-funded business support. This will take place within a stable framework. This will mean in practice that Business Link will need to increase its partnership working further and understand and be able to help a wide variety of different businesses. The three case studies below illustrate examples of existing good practice.

42. Business Link will also need to be developed to provide appropriate help those from disadvantaged areas or communities considering starting or starting businesses.

Case Study: East Midlands

In the East Midlands, specialist social enterprise business support is being integrated with the Business Link information, diagnosis and brokerage service. The primary objective of this is to increase the number of social enterprises in the region and to support these social enterprises to become better, bigger and more sustainable enterprises. In order to achieve this objective, East Midlands Business Link will work with Social Enterprise East Midlands to:

- increase uptake of information, diagnosis and brokerage service through promotional and outreach activities;
- train Business Link staff to identify social enterprises and diagnose their needs effectively;

⁴ www.cabinetoffice.gov.uk/third_sector/social_enterprise/action_plan.aspx

- ensure that where they qualify for publicly-funded support, social enterprises will get a grant to purchase business support (e.g. from specialist social enterprise support deliverers) that reflects the needs identified in the diagnostic process.

43. As recommended in the SNR, local authorities will be encouraged to use Business Link to provide necessary information for business, diagnosis of support needs and brokerage to appropriate provision and to avoid commissioning area based activity that duplicates the Business Link core offer. Many respondents highlighted the need for Business Link to be a better partner within Local Strategic Partnerships. We agree the provider of the Business Link service will be an essential partner within Local Strategic Partnerships on economic development.

44. In planning local approaches to supporting business, Local Authorities and Business Link are key partners. Some local authorities have already realised efficiency savings and enhanced service delivery by more closely aligning their provision of information and signposting with Business Link. Local Strategic Partnerships that include all key local agencies (from the public, private or third sector) with an interest in supporting businesses, provide an opportunity to develop an integrated and cohesive offer of support across an area delivered in a way that makes sense in that locality.

Case Study: Business Link North East and The Association of North East Councils

Both the Association of North East Councils (representing all the councils in the North East) and Business Link North East responded to consultation to tell us they had concluded a Memorandum of Understanding with each other. The Memorandum commits both organisations to exploring ways in which service levels can be improved and clarity achieved by integrating business support provision through partnerships between Local Authorities and Business Link North East. This is already being implemented by developing pilot projects in the region, which will ensure the avoidance of duplication of business support and the sharing of market intelligence and best practice.

45. Government and RDAs will not achieve integrated business support without the full commitment and engagement of wider partners. Business Link and RDAs are keen to work with membership organisations actively to promote Business Link to businesses as the primary access channel and a complement to those organisations' activities.

Case Study: Business Link in Sussex

The British Chambers of Commerce, in their response to consultation, cited Business Link in Sussex as a case study of best practice partnership working between a Business Link and other local partners.

British Chambers of commerce stated that:

Business Link in Sussex has, using devolved funding from the South East of England Development Agency, set up projects that have piloted a co-ordinated approach for government-funded business support at a local level. With key partners, they have collaborated on a shared marketing campaign which uses one point of access for businesses (Business Link) by telephone or email. In depth training for customer-facing telephone and on-line team has allowed effective referral to relevant partners where appropriate, by sharing use of the customer relationship management system. Not only does this provide a consistent method of referral, it allows monitoring to ensure that businesses needs are being effectively met and partners are using the full array of government funded business support on offer.

Skills

46. Some respondents expressed confusion about how other business related skills offers (outside Train to Gain) and Apprenticeships will be accessed within the new framework. *Through the work on the skills solution product that the Department of Innovation, Universities and Skills is taking forward we will look to bring together all business-facing skills training offered to employers and entrepreneurs. We want to see Apprenticeships as part of a much broader, coherent offer to address employers' skills, and so have committed in Train to Gain: A Plan for Growth, published on 27 November, to include Apprenticeships for those aged 19 and upwards as part of the Train to Gain service.*
47. The Association of Learning Providers questioned whether and how bodies such as the Quality Improvement Agency (QIA) and Centre for Excellence in Leadership (CEL) would be incorporated in the overall framework for business support. *The Department of Innovation, Universities and Skills has considered this comment and, whilst these bodies have an important role in ensuring the quality of skills provision, they are not involved in providing support to businesses in a more general sense. The QIA work across the learning and skills sector to primarily improve performance and CEL work to ensure world-class leadership within the learning and skills sector. So we feel it would not be appropriate to include these as part of the business support simplification process.*

Q10: Do you agree with the proposed role of the strategic oversight of business support?

48. The majority of respondents supported the proposed strategic oversight role described in the consultation. A significant number, including representatives of business and local authorities, emphasised that the business voice on the oversight body should be strong, possibly even a leading one and widely representative, both in terms of sectoral interests and diversity of experience and perspective. The Social Enterprise Coalition, Prince's Trust and Cooperatives UK also called for representation on the oversight body to include social enterprises. Respondents felt that including all these groups would "enable feedback and evaluation from the client perspective" and help to protect overall impartiality.
49. *Government agrees that business needs to have a significant role in overseeing the portfolio of business support going forward. In the light of this feedback, we will develop the oversight arrangements for the portfolio to ensure substantial business representation, while ensuring the national level strategic oversight partnership does not become too large to be effective. There will also need to be regional arrangements in place, in line with the sub national review, to provide a framework for partnership working and ensuring regional and local business support is consistent with one another and the national framework. Regional partners will consider how best to ensure strong business representation. The social enterprise sector will be involved; we will consider the best means to do so.*
50. The National Federation of Enterprise Agencies, some enterprise agencies and the University of Hertfordshire were concerned that the proposed oversight structure could lead to additional complexity, delay and additional costs, potentially stifling innovation and creativity. Businesses and other stakeholders consulted by EMDA thought that national oversight should be "light touch", perhaps focussing on evaluation, sharing good practice, resolving issues put forward by regional steering groups and monitoring progress.
51. Many respondents, including representatives of business, saw the need for regular feedback to the oversight body on the impact of business support, to ensure value for money and appropriate services. There was also some concern about the increase in bureaucracy that might be necessary in achieving this.
52. *We strongly agree that the national oversight role should be one of evaluation, sharing good practice, resolving issues and monitoring. We agree that monitoring and evaluation is an essential ingredient in making sure that the business support products and services offered by Government meet customer needs and have a real impact. It should also ensure that the new portfolio represents good value for money and is effective in supporting business growth and profitability. Therefore its role will also include ensuring the portfolio evolves over time so that it continues to meet these objectives.*

53. *We recognise the importance of proportionality in designing the monitoring and evaluation requirements to inform future development of the business support portfolio, and to ensure that decision-makers have the correct data on how well the portfolio is doing. We will be developing these requirements on the basis of minimising any administrative burden that might be necessary. Consistent monitoring and evaluation of business support is important to ensure business support delivers good value for public money and can be targeted where it will lead to an increase in sustainable economic growth.*

Q11. Is there another option that you think we should consider and how would you justify it?

54. Many respondents, including some representatives of business, some local authorities and those reporting on regional business consultation events, suggested that RDAs should be empowered to run and oversee the business support programme in co-operation with sub-regional partnership colleagues, thereby taking into account regional and local government priorities. At the Local Authority level, this co-operation might be facilitated through references in Local Area Agreements. The contention was that this devolved approach would be consistent with Sub-National Review principles, it would enable business support providers to be much more attuned to the needs of the businesses they are serving, and that it would create a degree of responsiveness that a centralised approach might not allow.

55. *Government recognises that Regional Development Agencies and Local Authorities will need the flexibility to fund business support products from the portfolio in order to reflect the different economic challenges facing different places and, in the case of RDAs, to ensure alignment with the priorities in regional and local strategies. Business respondents are keen to see business support meeting local and regional priorities, but also want to see consistency, particularly of quality, wherever products are delivered. To reduce customer confusion, it is important each product does not develop many different identities. The products in the portfolio will therefore need to be developed to meet all these aims.*

56. *RDA funding decisions for business support and the development of regional strategies will address clear needs in terms of market failure and opportunities to build on success. This will include clear prioritisation on disadvantaged areas/communities and a few tightly defined and distinct priority types of intervention on target groups such as emerging business clusters and small and medium enterprises with potential for particularly high-growth. This will involve withdrawal from non-priority interventions in both spatial areas and business segments. RDA investments will continue to be subject to rigorous appraisal to help with this prioritisation. They will also need to assess their contribution to the new Regional Economic Growth Objectives. These investments would not include areas where there is readily available private supply, or a realistic opportunity of attracting it, unless there is a clear need to promote take up of the supply by targeted*

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business segments and/or spatial areas.

57. *Regional governance of business support will be developed as part of the implementation of the sub-national review. It will be important to develop good joint working between these regional bodies and the national one and facilitate the sharing of local and regional best practice. RDAs manage most funding for business support and the SNR identified a clear need for RDAs to coordinate all business support activity across their regions. In the future the regional strategies will provide the basis upon which this is carried forward, in the interim RDAs, regional partners and local authorities will want to work in partnership to develop shared approaches to business support to improve efficiency and effectiveness and to realise value for money savings.*
58. *As set out in the sub-national review, 'the Government will expect local authorities, like other public bodies, to ensure any business support they provide or procure will be from the agreed portfolio and accessed via Business Link⁵'. National government and RDAs will find it easier to co-fund the delivery of business support (where this is appropriate) and local partnerships will find it easier to address local priorities within the context of regional strategies, if there is a clear, shared framework for delivery and evaluation which ensures value for money and overall impact. To ensure the portfolio of products and services continues to meet local needs, local government will be represented on the national strategic management body, as well as regional ones.*
59. *The Local Area Agreement operational guidance requires Government Offices to report to Ministers on how activities in each Local Area Agreement would impact business support simplification. In practice, this means reporting on whether business support in pursuit of Local Area Agreement indicators complies with the framework set out in this document. Government wants subnational partners, including local authorities, to use the shared portfolio being developed to provide business support. This has been designed to reduce business confusion, to save money on administration and to have a high impact, making it easier for partners to put support in place when a need is identified.*
60. *The National Federation of Enterprise Agencies and the majority of Enterprise Agency respondents recommended a principles-based approach to managing business support, monitored by the National Audit Office and the Audit Commission. This, they argued, would be preferable to a directed, central solution and would ensure simplicity.*
61. *We agree there is a need to ensure the business support portfolio can evolve to help business meet new challenges as they arise.*
62. *Given the strong support from business for better coordination of business support, Government believes a national strategic management board, representing a partnership between business, central government, regions and local government is needed to maintain collective oversight of the portfolio. There are important advantages to this:*

⁵ Sub-national Review of economic development and regeneration, page 76, paragraph 6.23

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- *it allows business support to be managed as a portfolio not as individual products, making it easier to maximize the effectiveness of public funding and its benefits to the economy, for example: economies of scale; and consistency of delivery in design of new products and refinement of existing ones;*
- *It allows for a consistent level of rigour in the assessment of business cases for publicly funded business support and then later, for consistent measurement of the impact and performance of this support. A consistent set of criteria will enable meaningful comparisons between products in different areas of the country leading to a higher quality of assessment and better funding decisions and help Local Authorities to deliver against the Comprehensive Area Agreement efficiency requirements;*
- *It is more likely to deliver simplification and rationalisation of business support services. A set of principles on its own risks differences in interpretation meaning that the full potential of simplification is not realised.*
- *It will facilitate partnership working better allow faster dissemination of best practice and spreading of innovation.*

63. *The partnership model that we are proposing will enable development and implementation of the new business support portfolio in a way that offers transparency, value for money, and a high level of quality and consistency across the country. The evidence is that the current model of business support is not working, as there are about 3000 schemes in existence in England without adequate coordination or overview, despite common disciplines around audit and investment appraisal.*

64. The Institute of Directors suggested an annual high-level consultation with business and business organisations, to measure progress and to review the portfolio of products being offered.

65. *Ongoing dialogue with the users of business support will be important. Business representation on national and regional oversight bodies, as described earlier, needs to make consultation a constant feature of the oversight process rather than an annual event.*

Q12. If you have experience of using publicly-funded business support, what were the costs to you of finding out what was available to meet your needs?

66. Many individual businesses commented that the main cost to them of in using publicly-funded business support was the time it took to find the right sort of business support to meet their needs. They thought that getting the wrong advice from a business advisor also had costs, therefore it was important Business Link provides a good service to all businesses. The Business Representative bodies also thought there were costs to business in the current confusion and that ensuring Business Link advisers were highly skilled would have benefits for business. They also saw costs in the paperwork involved in applying for business support. Some thought the costs of consultants ate away at support received – up to 20% of that

received.

67. Many local authorities responding said they sign post businesses to business support providers. Some thought the benefit in reduced search and administrative costs to business commented on in the consultation may be understated.
68. Business Liverpool, the business support, enterprise and investment agency, surveyed 1,000 businesses in its area and found that they were more comfortable with locally identifiable access points for their initial contact with business support. They also found it was important that this initial contact was handled well and businesses were not passed around between multiple business advisers and support providers before getting help and support.
69. The South West RDA suggested that there is a need to strongly publicise and market Business Link as to what it can offer business, to reduce business search costs.
70. *Use of Business Link as the primary access channel and consistent partnership working between Business Link, local authorities and business membership organisations should ensure businesses are clear about where to go for the right support and reduce their search costs. Business Link can inform each client of the private, third and, where relevant, public sector support available to help them. We will consider further the question of ensuring local access to Business Link, building on existing good practice. Reducing public sector schemes, removing duplication from them and clearly describing and communicating what they do will better enable Business Link to fulfil this role. In addition, channelling promotional activity through Business Link will help to achieve greater brand exposure – reinforcing the brand in the eye of the customer and improving brand awareness and understanding.*
71. A number of respondents, including the Confederation of British Industry and Business Liverpool and Liverpool City Council, thought there were currently costs to business from the paperwork involved in applying for business support. The CBI suggested 'there should be a holistic approach to business support whereby firms need only make one application, irrespective of the number of products they are receiving.'
72. *In the light of these representations, Government will consider whether and how the process of applying for publicly-funded business support could be made easier for business.*

Q13. How much do you think our proposals could reduce your costs in looking for and understanding publicly-funded business support?

73. A number of respondents thought it was essential to reduce duplication to avoid confusion and lower costs. Similarly, some thought providing efficient methods of accessing business support will make accessing business support easier and reduce cost to business. However impact cost would be

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difficult to quantify. Others thought costs would be reduced by offering specialist information for businesses.

74. There were mixed views from individual businesses about whether our proposals could reduce costs to business in looking for and understanding business support. Some thought costs could be reduced by reducing the number of delivery agents and by building greater clarity into the process of seeking and applying for business support. Some of the Higher Education institutions responding were not convinced that the proposals would reduce costs in looking for and understanding publicly-funded business support.
75. Representatives of business thought that there would be some reduction in costs to business from the proposals, although some expressed scepticism as to whether this would be achieved. In order to be successful Business Link needed to be a credible brand and to gain widespread trust and greater awareness.
76. One organisation representing small business said that 60% of businesses would access Government funded business support if they could be guaranteed free or low cost initial assessments. One respondent commented that many businesses were surprised to find out that pre start-up and start-up workshops are free.
77. *The Business Link diagnostic process is about giving a holistic view of the business – in other words, a free initial assessment. National Business Link charging policy states all Business Link services are free, apart from a nominal commitment fee of up to £50, which can be charged to gain the commitment of a customer to attend an event, workshop or seminar.*
78. Local Authorities saw savings in costs for them if most enquiries were directed to Business Link and not through the local authority. Costs for local authorities could also be reduced by having strong local / regional partnerships aiding in the reduction of overheads. They thought the benefits of this should be passed on to business, benefiting businesses. Many wanted any savings arising from business support to be reinvested back into local priorities.
79. *There are already many good examples of partnership working between all the players involved in supporting business and this is something the Business Support Simplification Programme aims to foster and spread, including the case studies of Business Link in Sussex and Business Link North East set out above.*
80. *Simplification of Business Support aims, through the shared framework for publicly-funded business support, to give local authorities and other funders of business support a set of tools which help them improve its accessibility to business, effectiveness and value for money. It will be for local authorities and other funding organisations to decide how to invest their efficiency gains resulting from simplification.*

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81. Some respondents felt unable to comment on the estimates as these were based on a number of assumptions which were either unclear or not provided in the consultation document. Some thought one-off costs to business of the change process needed to be factored in.

82. *In developing our assessment of the costs and benefits of simplifying business support, we will ensure all assumptions and the basis of estimates are made clear. Government does not think there should be significant costs of change for most businesses, since Business Link providers will be able to inform them of the support on offer to them. The impact assessment on Business Support Simplification has developed the costs and benefits of simplification and explains the methodologies for this.*

Q14: How far do you agree with our initial estimates of the benefits and costs of simplifying publicly-funded business support?

83. As before, many respondents felt unable to comment as the assumptions behind the estimates for the costs and benefits were not clear to them. However, some respondents thought that the calculations in the Consultation document were sound, but would need revisiting once simplified business support was in place.

84. Individual businesses were, in the main, sceptical about the estimates of the benefits and costs of simplifying publicly-funded business support: some thought a 3% benefits realisation unrealistic.

85. *This is an initial estimate, taking an early assessment of the benefits realisation from the transformation of business support in the Department of Trade and Industry and extrapolating across Government spend of approximately £2.5 billion. This has been updated in the impact assessment and will need periodic review.*

86. The business representative organisations were interested to see that any savings were ploughed back into business support and not back into administration costs of the service. They thought true costs should be matched against business improvements and success rates among those who have received business support. Some respondents thought that real benefits would take time to work though and that there would be a need to have in place a change management plan to limit the impact that the transition period might have on business. *One aim of simplifying business support is to reduce the proportion of spend used on overheads and enable a greater proportion of business support spend to reach businesses.*

87. Local Authorities who commented on the estimates broadly agreed with the analysis in the consultation document. A partnership approach could reduce costs to the public sector. Cost savings to local authorities would be small and would occur where Business Link replaces schemes funded by them. Business support should increase competitiveness of companies, with benefits to the wider economy. Greater simplification should make support easier for business to access and would lead to a greater take up of offers-

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all this should benefit business.

88. *As set out above, the simplification of business support aims to encourage and spread partnership working.*

Q15. Are there other benefits or costs to the proposals? For Example, what other costs and benefits are there for the private sector, the third sector and for public, private sector providers of business support?

89. Again, many respondents felt unable to comment on this question and those who did provided a very broad range of views. Greater consistency and efficiencies and a higher level of service were thought to have the most significant benefits to business, according to many respondents. Simplification was seen as good for business if it simplified the customer journey.

90. Organisations representing businesses commented that there could be costs if customers did not understand new brands or the changes made as a result of simplification meant fewer businesses applied for business support. It would be important that those providing business support are more than a sign posting service.

91. Some businesses and business representative organisations sought assurances that BSSP was not a cost cutting exercise and any savings realised as a result of rationalisation of back room support should be ploughed back into delivery. They also wanted to see how risks from the programme would be managed, in particular, the risk of simplification resulting in fewer, not more, start-ups.

92. *The simplification of business support is not a cost-cutting exercise and aims to ensure greater impact can be achieved with the same business support spend. The decisions on the amount of money spent on business support will continue to be made by each of the public-sector organisations funding business support. The simplified business support portfolio and access arrangements should help them to get the most out of the money they spend on business support.*

93. The proposals would, it was thought, have some real benefits for the private sector, including greater trust and confidence in publicly-funded business support. For service providers the simplifying of branding, offer and funding, along with some certainty and consistency would result in much greater efficiencies and a higher level of service. The efficient operation of the referral process would have positive effect on the economy. Greater collaboration and partnership working would also have significant benefits. Some respondents also thought the proposals would increase partnership working and, with it, mutual understanding between the public, private and third sector.

94. *Government agrees that greater partnership working should be an intangible benefit of the simplification of business support and is seeking to encourage*

this.

95. It was thought that the new business support regime would have an effect on other providers. It could have the effect of squeezing out the third sector and social enterprise suppliers of business support, as they may be unable to compete for the larger scale tenders being let by the RDAs and Business Link organisations. Concerns were raised by some that the new arrangements would involve fewer providers than the old ones and that this would exclude providers who have a major contribution to make in achieving the government's economic, social and environmental objectives. Some business support providers expected there would be costs to them from the change. On the other hand many business support providers thought they should benefit as their offer would be placed within a clear framework.

96. Procurement of a smaller number of business support schemes at a higher spatial level is likely, in practice, to mean fewer contracts for business support. This will probably lead to changes in delivery models when current contracts expire. It may mean more collaboration between business support providers in bidding for contracts, more use of lead deliverer models, or fewer business support providers winning public-sector contracts. We will examine how communications of the Business Support Simplification programme might help third sector and social enterprise suppliers of business support, as well as others, to adapt to the change.

97. The public sector has a duty to get the best possible value for money and many business support providers would not necessarily assume they could retain business support contracts by repeating their previous bids. We aim, through this document and other communications, to give providers of publicly-funded business support the best possible information to help them prepare for and respond to change.

98. Some respondents thought the proposals offered few or no social benefits for local communities in the UK.

99. By promoting enterprise and business growth, the new business support portfolio should have significant economic and social benefits for local communities in England. The business support portfolio includes a number of offers with particular social benefits for local communities. For example, local community business coaching will help hard to reach communities start up in business. Support for business creation is targeted at, among others, groups less likely to start their own businesses. The skills solutions for business offer also provides for help to people to develop the skills needed to start a business.

Q16: How far will the proposals make it simple for business to know what publicly-funded business support is available and how to access it?

100. The majority of respondents agreed broadly that our proposals would make it simpler for businesses to know what publicly funded business support is available and how to access it. Business representative

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organisations were generally supportive of the proposals. They and other respondents thought that, in order to ensure their success, it would be important: to raise awareness of the changes in business support and of what was available; to ensure that publicly-funded business support, particularly Business Link, was of a high quality; and to make sure that non-public access channels, for examples banks, solicitors, accountants and Chambers of Commerce were aware of the changes, to help communicate them. They, and other respondents, also wanted to see how the proposals would develop and translate into actual delivery that clients would recognise.

101. Higher education institutions were generally supportive of the proposals. The Local Authorities who responded were also broadly supportive. They thought it would be important to make sure that valued personal relationships between business advisers and individual clients continued where possible and that publicly funded business support was responsive to the needs of individual businesses and of different communities.
102. There was some scepticism about the proposals from some Enterprise Agencies. However, they did support the principle of improving value for money and improving access to publicly funded business support. They also felt it would be easier to judge the proposals once they could see how the specific offers would move into recognisable products that the client could identify with.
103. Regional Development Agencies commented that the proposals provide a framework for substantial simplification. They felt that it was necessary to develop proposals on the delivery mechanisms, branding protocols, marketing and monitoring and evaluation in order to enable simplification to happen. They also stressed the importance of partnership working and of making sure all players were signed up to the framework.
104. The creative industries representatives responding to this consultation felt that simplification of business support would only be successful for them if Business Link could respond to the sector's particular needs both at the national and the regional level.

Other themes emerging from consultation

105. Several respondents called for Government to develop a special Business Support search engine.
106. *Businesslink.gov.uk provides a comprehensive directory of information on business support. It also provides a comprehensive range of information on all aspects of starting and growing a business. By using interactive tools and enhanced functionality, the site helps customers search for and navigate their way through a very wide range of topics affecting all types of business.*
107. Most businesses and their representatives stressed the importance of reducing the number of business support schemes to reduce customer confusion; of using public money more efficiently; of consistent evaluation of

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publicly funded schemes and of publicly-funded business support meeting customer, rather than supplier, needs. They strongly supported the principle that the public sector should fund business support only where there was a market failure and no private sector provision existed. They also thought the public sector should invest to develop the private sector market and avoid 'creating a dependency culture' (British Chambers of Commerce).

108. Many respondents also supported the contribution of publicly-funded business support to other public policy goals, in particular equity and equality objectives. Some respondents expressed specific support for the role of publicly-funded business support in actively promoting enterprise amongst groups that are under-represented in business, including amongst women, the disabled and certain black and minority ethnic groups, including through social enterprise opportunities.
109. *The framework for simplified business support is being developed to be consistent with these themes and principles.*
110. A few respondents expressed their disagreement with the primary access channel policy set out in the consultation document.
111. *As set out in this document, we will be developing Business Link to ensure it functions as a primary access channel to publicly-funded business support that meets the needs of a diverse range of businesses, including social enterprises.*

Summary of actions to be implemented to take the policy forwards

- The full policy framework and vision for simplified business support will be announced by Spring 2008;
- Collect further evidence on the marketing and branding of business support, in order to develop this part of the framework;
- Complete work to develop the Business Link brand, service and offer to meet the changing needs of business support stakeholders and ensure *it* functions as a primary access channel to publicly-funded business support that meets the needs of a diverse range of businesses, including social enterprises: recommendations for change are expected by Spring 2008;
- Complete work to turn the high-level business support portfolio in to the support businesses will experience – and make these services available to business;
- For each business support product, decide on the most appropriate levels for procuring and for delivering the support and consider other options for delivery;

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- Explore further the scope for co-procurement between RDAs and Local Authorities;
- Consider further how to deliver support for Protecting the Natural Environment consistent with Business Link acting as the primary access channel for publicly-funded business support and how to simplify and streamline the individual advisory services within the offer;
- Consider further the case for local grants aimed at improving the built environment, for example shop front grants;
- Develop the oversight arrangements for the portfolio to ensure substantial business representation and consider the best way to involve Social Enterprise;
- Establish regional strategic management arrangements for business support;
- Develop monitoring and evaluation arrangements for the business support portfolio;
- Consider whether and how the process of applying for publicly-funded business support could be made easier for business.

APPENDIX 1: OFFER COVERAGE

Introduction

1. Respondents to the ‘Simplifying Business Support’ consultation thought the draft portfolio of business support offers consulted on had a number of ‘gaps’, or areas where they saw a need for publicly-funded business support. The most frequently mentioned areas, as set out in the “Initial response to Consultation” (paragraph 64 of annex 2) were;
 - Domestic sales and marketing support
 - Regulatory compliance, including planning, environment, waste
 - ICT (provision, training), e-business, e-commerce
 - Premises (including planning)
2. The others were:
 - Mentoring
 - Strategy development
 - Mezzanine finance
 - Sector- and group-specific support
 - Management, Recruitment, People Development
 - Product Development
 - Supply Chain Development
 - Business Expansion
 - Procurement
 - Patent advice
 - Capital investment
 - Design in Innovation Finance
 - Support for brokering support for grant applications
 - Support for social enterprises
 - Corporate Social Responsibility
 - Crime prevention
 - Library and information services
3. Respondents did not always specify the intensity of support they thought was needed and were not always specific about its purpose. Given the sometimes generic nature of the gaps highlighted it has often been difficult to be precise about the specificity of the request.
4. Equally, the high level summary “offers” announced in the Pre-Budget Report and Initial Government Response to the ‘Simplifying Business Support’ consultation are at differing stages of development. For the most part, the announced offers define the broad areas where Government sees a case for public sector intervention. The specifics of each offer, for example detailed eligibility criteria and intensity of support, are in the process of being developed for most offers.

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5. Given the above, it is difficult to be precise about the extent to which the portfolio covers some of the gaps respondents identified. Therefore, the analysis below should be viewed as broadly indicative.

State Aids

6. It should also be noted that all business support products need to be state aid proofed and approval may need to be sought for some individual schemes from the European Commission. In any case where the state aid status of a scheme or any other proposed publicly-funded intervention is not clear, the organisation proposing to fund it should seek advice from the State Aid Branch in the Department for Business, Enterprise and Regulatory Reform. As a result of this advice, and as appropriate the assessment of the European Commission, the scope and range of the offers may need to change to take account of state aid considerations before the products are ready for use.

Business Link

7. The Business Link service has the knowledge and experience to offer information and advice on the topics listed above. The service provides impartial information, advice, and practical support to help existing and future businesses make the most of their opportunities. Following an initial business needs diagnostic, Business Link will broker to the most appropriate form of support (whether public, private or third sector).
8. Business Link is accessible through a number of media:
 - The on line website www.Businesslink.gov.uk provides information and self-help diagnostic tools along with a number of directories containing information on grants and support, events, contacts, etc.
 - A national telephone number, which connects you to a local business advisor with whom you can discuss your business needs.
 - Face to face contact with a business advisor

Business Expertise for Growth

9. The Business Expertise for Growth offer, as outlined below, has the potential to provide a range of support to business and possibly address a number of the identified areas or gaps; for example, domestic sales and marketing support, strategy development and management skills. However the precise focus, particularly at regional and local levels, is still in development and will be subject to further consideration. Agreeing the appropriate few regional priorities will be of particular relevance..
10. The type and intensity of Business Expertise for Growth will vary, but it might be highly technical or specialist including advanced coaching for managing the growth of the business. It offers subsidised access and provision of quality assured business expertise and specialist and advanced skills to SMEs which they would otherwise not have. The

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expertise would enable the take up of new technologies, techniques and processes.

11. National programmes for Business Expertise would target SMEs where there is a:
 - new technology or business process which is commercially important and materially affects the competitiveness of enterprises;
 - barrier to acquiring that new technology or process; and where
 - the intervention would be successful in creating a market for the type of expertise and the intervention would be time limited.
12. SMEs would be eligible for programmes targeted at regional and local needs where:
 - local or regional appraisal identifies a market failure;
 - there is a well defined set of monitored exit criteria which would limit the duration of the intervention; and either
 - the recipients are located in a deprived area; or
 - the recipients are high growth or high potential companies; or
 - the recipients are one of the selected few priority sectors in the region.

Potential Gap Coverage in the Portfolio Offers

13. Additionally, publicly-funded business support or other Government activities would address the gaps, subject to the issues outlined above, as set out in the following paragraphs.

Domestic sales and marketing support

14. We have taken this to refer to obtaining practical advice and information on establishing successful sales and marketing methods and policies - from pricing and advertising to sales techniques.
15. Sales and marketing advice can be obtained from Business Link. Additionally, and subject to further consideration, the Business Expertise for Growth offer has the potential to provide support on sales and marketing issues.

Information and Communications Technology, training, e-business, e-commerce

16. We suggest this refers to developing the skills to successfully undertake business on-line. General support and advice for Information and Communications Technology and e-commerce is covered by the Business Link service.
17. The “Skills Solutions for Business” offer helps businesses to improve the skills of their employees and supports individuals to improve their skills for business.

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18. From April 2009, through an integrated brokerage service or directly through providers, employers and potential entrepreneurs will have access to high quality advice and guidance to create a skills solution that best meets their needs.
19. Support will be available to all employers, including those from disadvantaged groups or areas. Support will be available as follows:
- Support for businesses of all sizes with low skilled employees to help them gain their first basic skills qualification, first full level 2 qualification and, depending on sector and geographical location of organisation and chosen provider, subsidies for subsequent qualifications to update skills or gain a more technical and specialised qualification, including first level of management;
 - Subsidised support for owners/ managers of businesses with 20 to 250 employees to develop their leadership and management skills at various levels - this is being extended to include businesses with 10-20 employees, so that smaller firms are able to access its help and grow;
 - Subsidised support for individuals needing higher-level skills, to achieve first full level 4, depending on sector and geographical location of business and chosen provider; and
 - Support for potential entrepreneurs from under represented and economically disadvantaged groups to help them gain the skills and awareness required to start a business, including appropriate language skills, and skills to realise the opportunities for social enterprise.
20. Specialist support under the Skills Solutions offer will also be available to encourage innovation in the workplace. This will include knowledge management, intellectual property management, sharing best practice, exploration and introduction of new technologies.

Information and Communication Technology equipment

21. Ministers have decided there is not sufficient economic rationale for support for Information and Communication Technology hardware, since Information and Communication Technology equipment is low cost and in widespread use. In the light of the economic evidence, they also consider there is no market failure rationale to support provision of Information and Communication Technology databases.

Regulatory compliance, including planning, environment, waste

22. Many respondents thought there was a gap in the portfolio we consulted on around regulation. There were two main issues: first that businesses wanted information and advice on regulatory issues, and secondly simplification of the overall regulatory environment.
23. As part of the early work on simplifying business support, Government considered the need for more coherent and straightforward advice and guidance on regulation that directly impacts on business. The

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conclusions were that:

- Government was already working through its Better Regulation programme to improve coherence;
- Business Link through its no-nonsense guides and web-based tools was meeting the need for a 'one-stop-shop' for general information and advice on regulation and licensing;
- There was no lack of private sector services in this area and the private sector was better placed to provide more detailed and company specific regulatory advice and guidance.

24. The Government is committed to simplifying the regulatory environment. For example, we are currently developing a Code of Practice on good guidance which will set out the standard of guidance businesses can expect on new regulations.

25. More broadly, the Better Regulation Executive has overall responsibility for the Government's commitments to:

- regulate only when necessary;
- set exacting targets for reducing the cost of administering regulations;
- rationalise the inspection and enforcement arrangements for both business and the public sector.

26. This will involve:

- scrutinising new policy proposals from Departments and Regulators;
- speeding up the legislative process to make it easier for Departments to take through deregulatory measures;
- working with Departments and Regulators to reduce existing regulatory burdens affecting business and the voluntary sector, and frontline staff in the public sector;
- driving forward the better regulation agenda in Europe.

27. Information on planning issues and applications is not business support for the purposes of this programme. It is available from local authorities and from www.direct.gov.uk.

Premises (including planning)

28. This relates to two areas of support: the provision of shared business premises and workspace and refurbishments; and single company refurbishment support – most notably local shop-front grants.

29. The 'Shared Business Environments' offer allows for provision for managed workspace for groupings of companies. The 'Shared Business Environments' offer provides funding to intermediaries to build, operate and manage business premises with shared facilities (which may include technical facilities) and services for groups of new and/or growing businesses. These facilities will be characterised by having flexible tenancy and access arrangements.

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30. Businesses will be able to access cost-effective supportive shared premises and facilities. The exact range of facilities will depend on the purpose and complexity of the services to be offered (e.g. managed workspace, incubators, specialist equipment, and science parks or shared pilot plants).
31. Grants to individual business are available in certain circumstances under the “Capital Investment” offer (see para 53 below).
32. As mentioned in the Initial Government response (para 67) we will consider further the issue of single company support, where the policy objective is place shaping interventions which could entail the perseveration or enhancement of town centres, high streets etc. This will be addressed in the next phase of Simplifying Business Support.

Mentoring

33. We have considered mentoring in the very broad terms of mentoring and coaching. This in general can be characterised as a more intensive relationship and often (but not exclusively) individual training support. Mentoring and coaching can often be provided by individuals with business backgrounds.
34. Mentoring and coaching will be available, subject to various eligibility criteria, in a number of the proposed offers.
35. Intensive support under the Business Creation offer will be available for some, including those from disadvantaged or under-represented groups. This will comprise, in part, more personalised support from an adviser, coach or mentor who can work with the particular individual or business to overcome particular barriers to starting up.
36. There may also be targeted mentoring support available via the Business Expertise for Growth offer, subject to agreement on a few regional and local priorities.
37. The Local Community Business Coaching offer will provide support where the target groups are disadvantaged individuals. Specific eligibility will be determined locally but is expected to be limited to deprived areas (i.e. within one of the 88 most deprived wards according to the Index of Multiple Deprivation) and/or linked to specific types of deprived community such as deprived rural, coastal, coalfields and deprived urban.
38. The Shared Business Support Environments offer will also have access to expertise, particularly coaching and mentoring in order to encourage sustainable business growth. These developments are typically aimed at start-ups and other young businesses which have a higher probability of failing than an existing business and the need to provide more space for communal areas, or technological or other relevant facilities which reduce the amount of rentable space available to the developer. They

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can, however, also provide more established small and medium enterprises with access to new ideas, technologies and processes.

Strategy development

39. We have considered this in terms of the strategic planning process in establishing a business's overall goals and developing a plan to achieve them.
40. Targeted support for strategic planning may be available under 'Business Expertise for Growth' (as outlined above). Additionally the "Preparing to Export" offer can assist small-medium sized enterprises seeking to enter new markets in developing appropriate export strategies and capabilities. Support for general export capability development is restricted to small and medium enterprises who are either 'new to export' or innovative and between 1 and 5 years old.

Mezzanine finance

41. Mezzanine finance describes sources of funding that lie part-way between conventional debt and equity funding. It can tolerate greater risks but requires greater rewards. Mezzanine finance has the ability to fund propositions with a higher level of risk than banks can consider; where necessary, to be subordinated to bank debt; and, to lend without security.
42. As the Simplification of Business Support moves towards more detailed product design, we will consider further the appetite and accessibility of mezzanine within market mechanisms to supply finance to small business targeted at the equity gap.

Management, Recruitment, People Development

43. We have considered this issue in terms of providing both management and employees with the appropriate skills to achieve business success, together with consideration of recruitment and retention issues.
44. These areas are in part covered by Business Link and the 'Skills Solutions for Business' offer (see above), which provide general management and skills advice, and training and skills for leaders and managers as well as employees and potential entrepreneurs respectively.
45. Employment and recruitment of people and people issues not related to employer-facing skills are areas of further work for the Department of Work and Pensions to consider as part of the next phase of the Simplification of Business Support.

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Patent advice

46. Information on Intellectual Property, including Patent advice, can be obtained from Business Link. Additional support is proposed under the 'Innovation Finance' offer which provides subsidised access to experts, such as Patent Agents in support of an R&D project.

Procurement

47. We agree that public sector procurement with small and medium enterprises is a highly effective way of helping small and medium enterprises to grow and develop markets. We believe however, that responses received on this issue may well have envisaged wider Government action. That said, general advice and guidance is available via Business Link.

48. www.supply2.gov.uk is the government-supported web portal that offers consolidated access to lower-value opportunities from across the UK public sector. It aims to open up the market to all types of business, but particularly SMEs, allowing them to search and view open lower-value contract opportunities and promote themselves to the UK public sector. To date there have been over 62,000 opportunities posted, with 4,000 public sector buyers registered and 60,000 suppliers.

49. More widely, the Office of Government Commerce is leading action on government procurement: The Office of Government Commerce is developing a coherent policy and standards framework for public procurement based on an agreed set of priorities as outlined in 'Transforming Government Procurement'⁶.

50. Additional help on marketing to the public sector may be available through the Business Expertise for Growth offer.

Product Development

51. This is a broad term potentially covering a range of business activities – from developing ideas, feasibility studies, R&D, prototypes, to marketing and developing markets – both domestic and international. It could also include service development. These areas are generally covered by Business Link.

52. In some circumstances, additional support relevant to product development may be available under the Innovation Finance Offer in some circumstances. Focused support for developing new overseas markets will be available through the 'Preparing to Export' offer which provides help for businesses inexperienced in exporting or considering entry into new overseas markets.

⁶ http://www.ogc.gov.uk/who_we_are_tranforming_ogc_-_transforming_government_procurement.asp

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Capital Investment

53. The 'Capital Investment' offer provides grants where the level of support is linked to the amount of capital investment, the amount and quality/skill level of the employment, and the amount of productivity growth associated with the project. It provides financial support - normally in the form of grants though in some circumstances loans - to support investment projects by companies located inside the Assisted Areas. It will be available to small and medium enterprises operating in deprived areas that do not have assisted area status.
54. In some cases hybrid financial support (e.g. a grant that becomes a repayable loan if specific conditions are triggered) may also be available.
55. The level of support provided is linked to the amount of capital investment, the amount and quality/skill level of the employment, and the amount of productivity growth associated with the project.

Design in Innovation Finance

56. The "Innovation Finance" offer provides grants or loans to assist a business to develop and exploit new ideas.
57. These will be available for single UK-based businesses (mainly SMEs) that are unable to bear the full cost and to secure sufficient finance to develop technology based product, process, or service innovations. Grants or loans will assist with the cost of:
- research and development by the business, including obtaining intellectual property rights, 'proof of concept', market research; and capital expenditure linked to prototyping and large scale demonstrators;
 - using third parties, such as consultants, patent agents to undertake the above activities;
 - demonstration projects involving the early adoption of new technologies with a potentially significant environmental benefit, such as to promote low-carbon energy technologies and the better use of energy.

Grant Support Application

58. This issue has been considered in two ways: first assistance to business to access the appropriate finance and secondly signposting business to appropriate public sector grants or loans.
59. The former is available via the 'Financial Awareness & Capability' offer (originally called 'Investment Readiness') whilst the latter is available from Business Link.
60. The Financial Awareness & Capability offer coverage has been extended so it can be available to high and moderate growth enterprises. General support would be provided as part of Business Link. Intensive support to engender investment readiness to these businesses would be limited to

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training (e.g. would exclude consultancy to provide the prospectus or terms of an equity offer) for enterprises that satisfied well specified eligibility criteria concerning size, growth potential, etc.

61. Additionally, the next phase of the Simplification of Business Support will consider the opportunities for streamlining application processes for applying for Government grants or loans in the area of Business support.

Corporate Social Responsibility

62. General support and advice is covered by the Business Link service. In particular, the “Corporate social responsibility” page of www.businesslink.gov.uk provides a range of information and advice on this issue, for example on the business benefits of comprehensive social responsibility, understanding the environmental impact of business, and how to measure the effectiveness of the corporate social responsibility.

Crime Prevention

63. General support and advice on crime prevention is covered by the Business Link service. In particular, the “Security and Crime” page of www.businesslink.gov.uk provides a range of information and advice on crime prevention issues, for example crime against staff, premises safety, security alarms.

Library Services

64. General support and advice on this is covered by the Business Link service. In particular, access to library services is available through www.businesslink.gov.uk

Economic shocks

65. Further thought is to be given to how the whole portfolio can handle and accommodate ‘economic shocks’.

Appendix 2 – Initial Government Response to the ‘simplifying business support’ consultation

Note that this document was published in October 2007.

1. The 2006 Budget announced the Government’s commitment to reduce the number of publicly-funded business support schemes from over 3000 to no more than 100 by 2010. This document explains steps to be taken towards simplification announced in the Pre-Budget report on 9 October 2007. These are the integration of the skills brokerage service currently provided through Train to Gain into the Business Link Information, Diagnosis and Brokerage service and the announcement of an initial portfolio of seventeen high-level ‘products’ from which publicly-funded business support will be provided in future.
2. The consultation held between 22 June and 14 September 2007 on ‘Simplifying Business Support’ set out how Government proposes to simplify publicly-funded business support in England, to ensure it is:
 - Simple for business to understand and access;
 - Good value for money; and
 - has a substantial, measurable impact on public policy and other goals.
3. The consultation sought views on:
 - How to develop Business Link into the primary access route to business support and improve the customer experience of the business support network
 - The set of business support interventions the public sector should fund
 - How these should be marketed and delivered to business
 - How to keep publicly-funded support simple in future.
4. Over 300 organisations and individuals responded. There was very strong endorsement of the need for a smoother, simpler experience for businesses seeking support. There was strong support for public sector organisations intervening only where there was a market failure or where it achieved a social justice aim.
5. This document sets out decisions taken in the light of economic analysis and the consultation on ‘Simplifying Business Support’ on access to business support and business support interventions referred to in paragraphs 4.43 to 4.46 of the Pre-budget Report. Summaries of responses received on the broad areas of business support where the public sector may intervene and developing Business Link as a primary access route to business support are attached at annexes 1 and 2 respectively to this document. (These were covered by questions 1-4 and 8-9 of the consultation.) These annexes also set out how or when we will respond to points raised.
6. A formal summary of responses to the consultation and Formal Government Response to the consultation are to be published in December, along with a partial impact assessment. The Formal Government Response will provide detail on responses received on the

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delivery and marketing of business support and on proposals for keeping it simple in future. It will also set out how proposals consulted on in these areas will be developed in the light of consultation feedback.

7. The consultation is informing the cross-Government programme to simplify business support. Public sector organisations currently involved in this programme are: Treasury; Department for Business, Enterprise and Regulatory Reform; Department of the Environment, Food and Rural Affairs; Department of Communities and Local Government; Department of Innovation, Universities and Skills; Department of Work and Pensions; Department of Culture, Media and Sport; Cabinet Office - Office of the Third Sector; the English Regional Development Agencies (RDAs); and local authorities through the Local Government Association.
8. The business support portfolio is being developed for businesses from all sectors. Where appropriate, the products in it should be suitable to support a wide variety of different types of business, including social enterprises.

Business Link – the primary access channel to business support

9. As set out in paragraph 4.46 of the Pre-Budget Report, Government is committed to a single integrated brokerage service from April 2009, to include skills brokerage as a major component. We will also ensure there is no diminution of the level of service that business experiences, compared to the position prior to April 2009. Indeed, Business Link will enhance the service available to employers for understanding and addressing the skills needs of their workforce. The Department of Innovation, Universities and Skills (DIUS) will contribute £24 million per annum from financial year 2009/10 to the RDA single programme budget from within its Comprehensive Spending Review settlement.
10. Consistent with the conditions of the Sub-national Review of Economic Development and Regeneration, this will enable the integration of skills brokerage with Business Link from April 2009 into a single brokerage service. It is important that this change does not simplify business support while complicating the skills system. The contribution of resources and integration into a single brokerage service is therefore conditional on DIUS as the budget holder for skills being assured that skills brokerage continues to be focused on the Government's skills targets. The Regional Development Agencies and Learning and Skills Council will need to work closely together to ensure this. DIUS and BERR will have equal roles in terms of the accountabilities and performance management of the overall skills brokerage service.
11. Further, in the light of responses to the consultation, Central Government and the RDAs will consider consolidating other specialist business-facing brokerage into the Business Link Information, Diagnosis and Brokerage (IDB) service. BERR will work closely with the RDAs to ensure that the service evolves to meet the needs of all groups, sectors and backgrounds. The aim would be to remove duplication and give

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business a primary access channel, consistent with the Transformational Government aim of making it easier for businesses and citizens to access all the services they need. Annex 3 explains the IDB service.

12. The RDAs will continue to have responsibility for managing Business Link. As set out in the Sub-national Review, RDAs will have an important role in coordinating business support in each region and developing Regional Integrated Strategies, including in respect of business support. In providing and procuring business support, and in leading the development of the regional strategy, the RDAs will ensure consistency with the Government's business support simplification programme.

The new portfolio of publicly-funded business support

13. Businesses going through Business Link may be brokered to private or third sector sources of business support, or they may be referred to one or more publicly-funded business support interventions. The consultation on 'simplifying business support' described and sought views on the business support the public sector might product going forward.

What is the portfolio?

14. The Pre-budget Report on 9 October 2007 announced the high-level summary of the "products" which will comprise the future portfolio of business support. These products define the broad areas where the Government believes there is a case for intervention. They summarise the rationale identified for intervening and the nature of the support to be provided.
15. Each of these products identifies broadly one or more objectives the public sector has for providing support to business. For each one, we have also published a broad description of the types of intervention which will achieve this. However, these products are still high-level and distinct from the schemes businesses will see and access and which public money will be spent on. To provide the services which businesses need, these schemes may deliver different aspects of more than one product, or only part of a particular product. They will be designed in a way which meets customer needs.
16. The schemes will only be identified once further work has been done to:
 - Refine the products and set out more detail about them;
 - Develop appraisal, monitoring and evaluation arrangements for the portfolio;
 - Identify appropriate delivery arrangements;
 - Set out how support will be procured, funded and tailored to need;
 - Assess how to market and brand the support provided.
17. Further work will also be needed to assess other possible products identified in the consultation, but not yet fully considered (see Annex 1,

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paragraphs 64-68).

18. The products in the identified portfolio target support where there is a clear rationale, evidence of effectiveness and evidence of business demand. The benefits, both to business and the wider economy, of providing business support only from this portfolio include:
- Ensuring limited public resources are focused where they offer greatest benefit, to deliver improved value for money from public expenditure;
 - Preventing the public sector duplicating the private sector, to avoid crowding it out.

What implications will the portfolio have?

19. Once the portfolio of products is fully developed, it will define the areas where the public sector believes it is appropriate to intervene to support business. Business support provided by public sector bodies will, in future, need to be consistent with one or other of the products in the portfolio. In line with Comprehensive Spending Review commitments, schemes currently offered which are not consistent with the portfolio – once it is fully developed - will cease as soon as is reasonably practicable. Existing business support schemes currently offered will not be changed as a result of business support simplification until the portfolio has been fully developed.

How has the new portfolio been developed?

20. In identifying those areas where Government believes there is a strong case for intervention, we have used the following criteria:
- Rationale – whether there is a market failure or wider social welfare justification for intervening;
 - Likely effectiveness – whether the intervention envisaged will address the objective;
 - Business need – whether there is a genuine demand from business for the type of support offered.
21. These criteria will remain central in further refining the portfolio and in its longer-term development. The portfolio has been developed drawing on the analysis of policy experts from within the range of public sector and business representative bodies involved in simplifying business support, evaluation by a Whitehall-wide group of senior economists and the findings of the public consultation.

What is in the portfolio?

22. The products approved and included in the portfolio are listed below. They are grouped under the themes used in the ‘simplifying business support’ consultation: in the light of consultation responses, we are considering whether and how to make use of these themes. Further details setting out the rationale for intervention, the nature of the

intervention and criteria for eligibility are can be found at <http://www.dti.gov.uk/bbf/small-business/streamlining-government/bssp/page38586.html>.

Starting up

Business Creation – helping to overcome barriers to setting up and growing a new business⁷.

Local Community Business Coaching⁸ – helping hard to reach communities to start up in business.

Access to finance

Financial awareness and capability – providing SMEs with the skills and expertise to secure private sector funding.

Debt Finance – security and loan finance for SMEs with viable business plans.

Capital Investment Grants – help to support capital investment projects either by SMEs or by companies operating in the assisted areas.

Innovation Finance – Help to develop and commercially exploit innovative ideas.

Risk Capital Targeted at the Equity Gap⁹ – equity financing for high growth SME businesses.

Management, recruitment, people development

Skills Solutions for Business¹⁰ – helping businesses to improve the skills of their employees and individuals to improve their skills for business.

Operations and efficiency

Resource Efficiency and Sustainable Waste Management – help and incentives to create a low carbon economy and tackle climate change.

Business Expertise – help to get expert advice for targeted small-medium businesses to grow.

Product development

Innovation collaborations – Help for companies to work together with the science and research base to increase innovation.

⁷ Note that further consideration needs to be given to the case for support to high-growth businesses.

⁸ Called 'Local Community Business Advisers' in the 'Simplifying Business Support' consultation

⁹ Called 'Risk Capital' in the 'Simplifying Business Support' consultation

¹⁰ Called 'Skills Solutions' in the 'Simplifying Business Support' consultation

Business Collaboration Networks¹¹ – helping businesses to work together to improve performance and exploit market opportunities and new knowledge.

Shared Business Support Environments¹² – shared business premises and facilities in which businesses develop and grow.

Getting the most from foreign direct investment¹³ - Increasing the contribution of foreign direct investment to economic activity in the UK.

Sales and marketing development

Preparing to export¹⁴ - help for businesses considering first time exporting or entry into new overseas markets¹⁵.

Investigating new overseas markets¹⁶ - tailored help for specific markets

Export Credits Guarantee – Helping business manage non-payment risks in overseas markets¹⁷.

Other interventions consulted on

23. There are also a number of areas where further analysis is required before a decision can be taken on inclusion to the portfolio. These are:

- The Protecting the Natural Environment product consulted on – this is to encourage businesses to adopt measures that reduce the negative and promote the positive impacts of their commercial activities on the environment.
- Whether to continue to provide existing support to businesses for export market research and export communications as part of the “preparing to export” product.
- Whether to include high-growth businesses as eligible candidates for intensive support from the “business creation” product.
- Eligibility criteria for the ‘finance and investment readiness’ product.

24. Decisions on these questions will be communicated in the Formal Government Response to the consultation. We will also consider further whether business support should be offered in the form of **incentives to employ the economically excluded**. We consulted on this product, but are not including it in the portfolio at this time. In the absence of robust evidence and of responses to the idea from consultation, further

¹¹ Called ‘Support Networks’ in the ‘Simplifying Business Support’ consultation

¹² Covers Best Practice Hubs and Shared Support Environments

¹³ Called Growing Internationally in the ‘Simplifying Business Support’ consultation

¹⁴ Called ‘Preparing to go International’ in the ‘Simplifying Business Support’ consultation

¹⁵ Note that we are still considering whether to continue offering support to businesses for export market research and export communications within this intervention.

¹⁶ Called Getting in to New Overseas Markets in the ‘Simplifying Business Support’ consultation

¹⁷ Note that the fixed rate export finance component of this intervention is currently being reviewed and evaluated, in line with an earlier commitment. Any changes recommended as a result of that review will be subject to consultation before a final decision is taken on whether or not to offer fixed rate export finance.

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consideration will need to be given to determine whether there is added value in proceeding with this option.

25. Six further business support interventions were proposed in the consultation on 'simplifying business support'. The support these interventions cover will be provided, but as part of the Business Link information, diagnosis and brokerage service and/or as part of one or more of the interventions listed above. The decisions taken on these interventions are:
26. **Skills brokerage** – as set out in the previous section, this service will be integrated into the Business Link IDB service.
27. **Best practice hubs** – these will be part of the Shared Business Support Environments intervention.
28. **Preparing for self-employment** - this intervention has now been tightly defined around the specific skills training needed to help people from groups underrepresented in business eg. women, some minority ethnic groups get ready for self-employment. Further consideration of the business case for this intervention showed that this would add most value. As a result, this area of intervention is now contained in the specialist part of the broader skills solutions intervention.
29. **Connection with knowledge institutions** – support for hosting and arranging events will sit within the Innovation Collaborations intervention. The information, diagnosis and brokerage elements of this intervention will be delivered through Business Link's IDB service. We are still considering the use of vouchers to help fund innovation collaborations, in the light of consultation responses and other evidence.
30. **Tackling multiple barriers to self-employment** - Childcare and Transport costs will be picked up in the micro-grant offer as part of the Business Creation intervention. Shared Premises will be provided through the Shared Business Environments intervention.
31. **Innovation advice and guidance** – will be provided through the Business Link IDB service and the Business expertise intervention.

Next steps

32. The further steps entailed to achieve the 2010 target and the timing of these steps is as follows:
33. Possible additions to the portfolio – a number of areas were identified through the consultation as possible candidates for inclusion in the portfolio (see annex 1, paragraphs 64-68). These will be considered proportionately and an announcement made within the Formal Government Response to the public consultation in December on whether they will be included.

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34. Refining identified products – those products already included in the portfolio will be further developed, to identify in more detail the nature of the support to be provided and the appropriate degree of flexibility to include. We will need to make sure the products are suitable for social enterprises where appropriate. The milestones for completing this will be set out in the Formal Government Response on to the public consultation
35. There are a number of other areas of work to be taken forward to ensure the aims of simplicity and increased value for money are met in the future. These include the work set out in paragraph 16 and work around arrangements for transition to the new simplified schemes. Further detail of the analysis to be undertaken for each work area and the timetable for completing them will also be published.
36. Additionally, new governance arrangements will need to be put in place to ensure that business support is kept simple in future. Governance arrangements will need to include a strong representation of business interests. Details of the governance arrangements will be set out in the Formal Government Response on to the public consultation
37. Paragraph 7 lists the public sector bodies which have been involved in business support simplification. During the first year of the Comprehensive Spending Review period, further consideration will need to be given to how other schemes that businesses would consider to be business support, but which have not been directly involved, are brought into the process.
38. Many respondents to the consultation said it will be important that the shared portfolio of business support being developed will allow for innovation in business support and can be adapted easily to changing circumstances. We agree. This must be a flexible and dynamic new system, continually being optimised to maximise its contribution to business formation and growth across the economy.
39. We will be developing consistent evaluation of business support products, to allow for comparison. Each intervention should also have an exit strategy.

Annex 1: Views expressed in response to consultation on questions about the future publicly-funded business support and business link

40. This annex summarises responses received to questions 1 to 4 of the 'Simplifying Business Support' consultation and indicates the Government response, where one has been decided, in italics.

Q1 Do you think the business support outlined in Figure 2 and at Annex A adequately covers the key needs of business and helps achieve public policy aims outlined in this document?

41. There was general agreement that the six themes help communicate what is on offer, but some representatives of the creative industries and social enterprises and a few other respondents thought they lacked resonance with these sectors. We will consider these themes further in the light of feedback.
42. Respondents felt, in general, that the set of business support interventions consulted on could accommodate the key needs of business, although some respondents also felt that there was insufficient detail on eligibility criteria and the detail of each intervention to come to a judgement. *As set out above, we will be refining the high-level 'products' further, in consultation with users.*

Views on the areas for business support intervention

43. The following observations were made on the individual areas of business support intervention:
44. Innovation was cited as a priority by many business and university respondents; some specifically mentioned innovation finance. Many businesses and universities thought business to university collaborations, for example for knowledge transfer, important areas for publicly-funded support to business.
45. *The future business support portfolio announced includes products to help companies collaborate with each other and the research base to increase innovation and to help provide finance to develop and exploit innovative ideas. Business Link's IDB service will provide information on innovation and the Business Expertise intervention announced provides for in-depth advice on technologies, techniques and processes. In the light of economic analysis, we have clarified that the innovation finance product is about finance for single company activity. Larger companies are therefore only eligible for finance for environmental demonstrators, to achieve Government environmental policy objectives where there is a clear market failure argument. Collaborations to fund other commercial demonstrators may receive support under the innovation collaborations product. The decision on whether to offer a grant or a loan as part of the innovation finance product is now clearly based on administration costs and ease for companies, to prevent deadweight.*

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46. *The Innovation Collaborations product now includes knowledge transfer networks from the business collaboration product on which we consulted. Intermediaries are now eligible for the innovation collaborations product, as the networking element of the business collaboration product has been added to it.*
47. RDA respondents thought inward investor support was important. Many business, RDA and local authority respondents expressed general support for interventions to help with exporting. A couple of businesses specifically mentioned the Export Credits Guarantee Department as a valuable source of support.
48. *The portfolio contains one product to help increase the contribution of foreign direct investment. It also contains three interventions to help with exporting: Preparing to Export; Investigating New Overseas Markets and Export Credit Guarantees. Consideration is still being given as to whether to continue offering support for businesses for export market research and export communications – the Preparing to Export product has been clarified in the light of this and focused, to remove duplication with other export products. Similarly, the Getting the Best from Foreign Direct Investment intervention has been focused on inward investment. The Export Credit Guarantee product includes reinsurance, since this is already provided and there is a clear rationale for it. The fixed rate export finance component of this product is being reviewed, in line with an earlier commitment.*
49. Some business support providers, enterprise agencies and universities specifically mentioned risk capital to target the equity gap, finance for and assistance in financial skills for small and micro businesses as important areas for publicly-funded support to business. A couple mentioned the Small Firms Loan Guarantee as a valuable source of support; a few respondents wanted to see the debt finance intervention extended to SMEs over five years old. Many respondents thought improving financial awareness and capability important, particularly representatives of the creative industries and providers of support to SMEs. Some consultation responses specifically mentioned finance skills as an area where publicly-funded support was needed.
50. *The announced portfolio includes products to increase financial awareness and capability (including investment readiness), to provide security and loan finance for SMEs with viable business plans who would not otherwise get debt finance (along the lines of the Small Firms Loan Guarantee) and risk capital targeted at the equity gap for high-growth businesses. The risk capital product consulted on specifically mentioned social enterprises and community interest companies as being eligible. They are not mentioned in the new descriptor, as we will be looking across the portfolio to consider which of the products social enterprises should be eligible for and how to ensure these meet the needs of social enterprises.*

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51. *In the light of consultation responses, the debt finance product provides for support to businesses over five years old, although it will be primarily for businesses under 5 years old. The updated descriptor of the debt finance intervention does not mention community development finance institutions, as these are delivery mechanisms, rather than an area of intervention. The skills solutions product would provide for business skills, including financial ones and skills for making a business investable are provided for in the Finance and Investment Readiness product.*
52. A few respondents specifically mentioned capital grants as an important source of support. *The Capital Investment Grants product is part of the portfolio.*
53. The Environment Agency and a few local authorities specifically mentioned support to business to help protect the environment as a priority. *The portfolio announced will include the product to promote resource efficiency and sustainable waste management. We are giving further consideration to the product to protect the natural environment.*
54. Many RDAs, universities, providers of support, including enterprise agencies, and universities thought publicly-funded help and expertise for micro and start-up businesses was important. Several trade associations and universities specifically supported specialist advice for manufacturers to enable them to adopt 'lean' techniques: these all mentioned the Manufacturing Advisory Service as a valuable source of support. *The Business Expertise intervention would be designed, among other things, to rectify infrequent but important instances where there are major advances in business technologies and processes which radically alter the competitiveness of companies, but where there is a missing market for its provision. Lean manufacturing is given as an example where this was the case.*
55. Business advice tailored to the needs of women, disabled and black and minority ethnic entrepreneurs was a priority for groups representing them and was specifically mentioned by some local authorities. Business Ability Ltd thought self-employment programmes for people with disabilities were important. A couple of respondents questioned whether some disadvantaged individuals should be encouraged into self-employment. Many business respondents and enterprise agencies thought small businesses generally needed support in acquiring management skills and to help them grow. The Confederation of British Industry, other business respondents and the Regional Development Agencies cited high-growth businesses as a priority for support.
56. *The Business Creation product aims to offer advice and guidance for successful business start-up to all business start-ups through Business Link. It will also include more intensive help for individuals with particular barriers to overcome and aims to help groups with a disproportionately low level of entrepreneurship, including women, some minority ethnic groups and people with disabilities and other individuals facing disproportionately high barriers to entry. This captures the*

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Preparing for Self-employment product consulted on. There are equity reasons for providing this kind of support and many respondents to the consultation thought targeting disadvantaged groups important. There is plenty of evidence of people from under-represented groups successfully moving into self-employment. Such groups have also been shown to be up to 3 times more likely to be involved in social enterprise than white or male representatives. However they do face specific personal skills barriers that are not being picked up through national skills programmes or other types of skills-based business support such as self-confidence skills, English language skills for business etc, justifying publicly-funded support. This support is covered as part of the skills solutions intervention. The skills solutions intervention will also include management skills; the business expertise intervention will include advice and guidance to help growth. We are giving further consideration to including high-growth businesses in the Business Creation intervention.

57. *The Business Expertise offer now allows for support to deprived areas, high growth and high growth potential companies and priority sectors, where there is a regional or local market failure. This responds to some consultation respondents who wanted to see greater regional and local flexibility.*
58. *Skills were identified by business, local authorities and RDAs as a high priority. Some business respondents felt the skills support intervention needed to respond more to individual business needs, rather than providing more general skills. Many respondents thought skills support for entrepreneurs was important, to help them acquire leadership and management skills. As set out above, the skills support product will be part of the portfolio and will include business skills for entrepreneurs. It will also include general workforce skills, as it is an important part of Government's strategy for upskilling the workforce. This product has been developed to focus more on skills to improve productivity and business performance (the latter to respond to views received through the consultation). As noted in paragraph 56, it has also been broadened to include softer skills for aspiring entrepreneurs from disadvantaged groups and neighbourhoods previously in the 'preparing for self-employment' product. This intervention may need to be developed further, to capture other current and future public sector skills priorities for which there is a sound rationale.*
59. *There was significant support from local authorities for local community business coaching. Several respondents thought a linear approach to information, diagnosis and brokerage might allow certain businesses to fall through the net of business support, particularly those with complex problems. A few respondents (including the National Federation of Enterprise Agencies and Confederation of British Industry) thought community business advisers duplicated the Business Link function. Some enterprise agencies felt this role should be theirs.*

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60. *The Local Community Business Coaching product will be part of the portfolio. For particularly disadvantaged target groups, there can be a need for more intensive support and coaching than Business Link would be able to provide. The key will be to ensure that there is an agreed regional strategy that shows who will provide the Service (and where) so there is no duplication. RDAs should work out with local authorities how this will work best in different regions and localities.*
61. Some respondents specifically mentioned business to business networks as a valuable source of public sector support, including representatives of entrepreneurs with disabilities. Many business and university respondents thought support for business to university collaborations was important. RDAs and some universities specifically mentioned shared business support environments and best practice hubs as important sources of publicly-funded business support. Many local authority respondents thought business incubators and managed premises important.
62. *Business collaboration networks and shared business support environments are part of the portfolio announced. The latter intervention will include the 'best practice hubs' intervention consulted on. The shared business support environments intervention has been focused to ensure it will impact on the highest priorities for strengthening regional economies and clarified that it includes managed workspace, science parks and incubation units as consultation showed these were important to local authorities. The business collaboration intervention has been focused on new and established SMEs in high-growth, sectorally important or deprived areas, since this is where the intervention will have the greatest impact. Consultation feedback also suggested that start-ups and SMEs should be a priority for support.*
63. Many respondents thought there was a need for business support to be delivered and marketed to particular groups and sectors (for example social enterprise, the creative industries, women, Black and Minority Ethnic businesses and entrepreneurs with disabilities) in a sensitive and appropriate way. These respondents were mostly local authorities and representatives of the groups and sectors mentioned. Some respondents felt it was important to keep valued brands, but there was general agreement that fewer brands would make things simpler for customers. *These issues will be considered as part of work on the marketing of the future portfolio of business support.*

Other areas where some respondents wanted to see interventions

64. Respondents thought there were a number of other areas apparently not covered by the products consulted on where they believed there was a case for the public sector to provide business support. In most cases, the responses outlined broad subject areas rather than the type or intensity of the support deemed necessary. A wide range of areas were cited, the most frequent being:
- Domestic sales and marketing support

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- Regulatory compliance, including planning, environment, waste
- ICT (provision, training), e-business, e-commerce
- Premises (including planning)

65. The others were:

- Strategy development
- Mezzanine finance
- Sector- and group-specific support
- Management, Recruitment, People Development
- Product Development
- Supply Chain Development
- Business Expansion
- Procurement
- Patent advice
- Capital investment
- Design in Innovation Finance
- Support for brokering support for grant applications
- Support for social enterprises
- Corporate Social Responsibility
- Crime prevention
- Library and information services

66. Many of these areas are provided for by Business Link's Information, Diagnosis and Brokerage service, or will be part of one of the interventions listed at paragraph 22. Where these areas are not covered by the portfolio, we shall consider whether there is evidence of a strong rationale for public sector business support intervention.

67. The consultation responses showed that local government provides economic support to businesses in a range of ways as part of its pursuit of the broader role highlighted in Sir Michael Lyons' report and the Local Government White Paper. The policy objective councils are pursuing tends to be the preservation or enhancement of thriving, attractive town centres and high streets. The government recognises that this activity is seen as central to protecting the prosperity of many local communities' commercial centres. We are considering the extent to which this activity falls within the definition of Business Support for the purposes of the simplification programme and how best to ensure the new framework for publicly-funded business support can support local authorities in this role.

68. A few respondents, including the Institute of Chartered Accountants in England and Wales, suggested the use of a voucher scheme for publicly-funded business support. *This is being considered further.*

Q2 Where do you see duplication in publicly-funded business support?

69. A number of respondents identified perceived causes of duplication in business support:

- Where EU / national / regional initiatives are overlaid on local initiatives

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- Where there is lack of communication between funding bodies
 - Where funds are released against open bidding rather than managed through a commissioning process
 - Where boroughs provide business support when they have evidence that mainstream support is not meeting the needs of local businesses
 - Where there is 'stop-go' funding
 - Where government support agencies are unable to work across scheme boundaries to produce a holistic service
70. Some respondents (predominantly Business Support funders such as RDAs and local authorities) felt that some degree of duplication was unavoidable, or even necessary to ensure adequate outreach:
- Where recipients are unwilling to travel to neighbouring counties
 - Where different audiences respond to different presentation
71. Some respondents also felt that the duplication was to some extent a perceptual issue, and occurred where:
- the scope of a support scheme was too narrowly defined, leading to the appearance of multiple support mechanisms with separate branding in the same sphere
 - the support was promoted in generic terms without clarifying different qualification criteria.
72. Some suggestions were made to limit re-proliferation of new mechanisms; Government responses are set out in italics:
- the use of impact assessment analysis to limit re-proliferation: *one of the aims of the Business Support Simplification programme is to ensure consistent monitoring and evaluation of publicly-funded business support.*
 - Publicly-funded agencies involved should have shared information / Customer Relationship Management (CRM) systems to avoid multiple requests for the same information: *progress is already being made on this, with RDAs leading the development of regional common CRM systems and RDAs will consider the issues raised around information sharing and customer journeys.*
 - Once government identifies a market need, it should attempt to meet it by tendering for services based on extension of current private sector provision, obtaining maximum leverage of private sector skills and experience whilst minimising confusion over the introduction of a newly branded service: *this will be considered with responses on branding and delivery of business support.*
73. The consultation responses raised additional issues the Business Support Simplification Programme will consider as follows:
- The fit between the Business Link IDB service and local authority-provided information and other services;
 - How respected brands, particularly local brands, work through the primary access channel in future;

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- Where the activities of a number of different bodies should fit in to the future framework for simplified business support, if they are indeed funding or providing publicly-funded business support.

Q3 Where do you feel that support is adequately provided by the private sector, thereby reducing the need for public sector support?

74. There were three broad categories of response in this area:

(a) Some respondents, like the BCC, felt that the private sector is, in general, better placed to provide business support, and government should not create a dependency culture amongst entrepreneurs; rather, entrepreneurs should appreciate the potential long-term gains in investing in the appropriate advice. They also felt that instances of market failure were relatively rare. Some respondents felt that companies valued advice more when they were obliged to pay for it.

(b) Other respondents, such as the Association of Chartered Certified Accountants, felt that the private sector could provide most business support, which therefore limited the scope for public sector provision. The Oxford Economic Partnership suggested that Government should subsidise private sector provision where appropriate, and the ACCA also suggested that they might be able to assist in the delivery of the private provision.

(c) The private sector has specialist expertise, which larger companies should use. Smaller companies should receive public sector help until they are sufficiently aware of the benefits of the support and can pay for it themselves. Some companies, such as social enterprises, or organisations that have specific-sector needs, may never be able to afford private sector expertise. This view was supported by most respondents, particularly local authorities, enterprise agencies and RDAs.

75. It is important publicly-funded business support does not crowd out private sector provision or stifle its growth. The portfolio of publicly-funded business support discussed above will be targeted where there is a market failure (as defined in the Treasury Green Book) or it achieves a social equity aim. If companies or entrepreneurs are unable or unwilling to pay for business expertise, this will not necessarily indicate a market failure. We will consider further the role of the private sector in delivering publicly-funded business support.

Q4 What publicly-funded business support do you regard as being of the highest priority?

76. In response to the consultation question asked on priorities for business support, there was a wide spread in opinion. Many respondents saw support to pre-starts and start-ups as a priority, as these are least likely to be able to afford advice, and have a high failure rate. A number of respondents argued that private sector provision tends to be more limited in rural areas, for those with poor credit histories, and for social enterprises and new start-ups, especially in high-technology sectors, so

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there is a greater role for public support in these cases.

77. The following were also mentioned:

- Help with interpretation of regulations
- Promoting enterprise (including amongst young people)
- Management Support (mentoring; support for business planning)
- Operations and Efficiency
- Product Development
- Upskilling the workforce, including language training
- Addressing environmental issues
- Equality of access for disadvantaged groups
- Investing in SMEs with growth potential, particularly high-technology start-ups
- Providing business space to small- and micro-businesses; Shared support environments
- Support for international trade; Export Support
- Specialist support for sectors with specialist needs
- Social enterprises, particularly community and Voluntary-based businesses

78. *In certain regions and localities more intensive support may be provided for particular groups and sectors to meet the priorities set out in relevant economic strategies, for example regional integrated strategies. There will be a presumption towards generalist support, capable where necessary of being tailored to meet the needs of priority groups of business owner or person starting a business and priority types of business.*

79. *On promoting enterprise, Government is committed to continue creating an enterprise culture. Activities to raise general awareness of or generally promote enterprise are not being treated as business support. An example of this activity is the 'Make Your Mark' campaign managed by Enterprise Insight.*

80. *Guidance and advice on complying with regulation is available from a number of public-sector bodies, for example the Advisory, Conciliation and Arbitration Service. The business guidance pilot communicates regulatory change in plain English via www.businesslink.gov.uk and is available in summary form to provide a quick, time-saving overview of changes in regulation.*

81. *The other broad areas mentioned in paragraphs 76 and 77 as priorities should be covered by either Business Link IDB or the portfolio of areas for business support intervention.*

Annex 2 – summary of responses to questions 8 and 9 on building Business Link as primary access channel

82. This annex summarises responses received to questions 1 to 4 of the ‘Simplifying Business Support’ consultation and indicates the Government response, where one has been decided, in italics.

Q8 How can Business Link be further developed to meet business and government needs consistent with this policy?

83. The policy decision to build Business Link into the primary access channel to publicly-funded business support was supported by the majority of respondents. Most thought Business Link could act as a primary access channel and meet business needs, provided its advisers offered a consistently high-quality service and were aware of the needs of and challenges facing businesses in different sectors and entrepreneurs from different backgrounds. Many respondents also wanted to see the Business Link brand better communicated and explained.

84. Many of the local authorities responding emphasised the need for Business Links to have a local dimension and to present a local face to business. Nearly all the local authorities and representative associations responding on the role of Business Link wanted to see an increase in partnership working between Business Link and other local players supporting business. Many local authorities thought Business Link needed to become a key partner within Local Strategic Partnerships (which in some places it already is), with financial and corporate resources to respond to local needs. A possible model suggested (by the North East Councils Association) was the Memorandum of Understanding between the Association of North East Councils and Business Link North East.

85. Barriers to closer partnerships cited by a few respondents were difficulties in data sharing and targets and incentives that were seen to detract from partnership working. Some local authorities and other respondents suggested that local authorities should channel their support through and share the Business Link brand.

86. Many local authorities, Enterprise Agencies, higher and further education institutions thought that Business Link needed to increase its partnership working capacity and work with and through existing local and regional networks. There was widespread support for the idea that providers should cooperate with Business Link and that Business Link should have a leadership role in coordinating business support.

87. In the light of these views, Regional Development Agencies (RDAs), which have responsibility for managing the Business Links, supported by the Department of Business, Enterprise and Regulatory Reform, will:

- *Ensure that Business Link services meet the consistently high standard required by business;*

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- *Ensure that Business Link services are suited to supporting businesses from a wide range of sectors and backgrounds;*
 - *Ensure that Business Link services are available locally.*
88. *In order to stimulate demand for business support and to ensure that the Business Link offer is more effectively communicated, BERR:*
- *Has devolved responsibility and budget for Business Link marketing to the RDAs;*
 - *Has fostered closer integration between Business Link and the businesslink.gov.uk on-line activity;*
 - *Will make the most of opportunities offered by the Transformational Government agenda to increase awareness of Business Link and its role.*
89. *Government will continue to work with RDAs, Local Authorities and Local Strategic Partnerships to encourage and promote effective business support partnerships to ensure that Business Link services are delivered effectively at a local level. The final Government Response to the consultation will address comments received about Business Link and partnership working.*
90. A number of respondents expressed the view that customers who knew what they wanted or had an existing relationship with a provider should still be able to go directly to that provider, rather than having to go through Business Link. *As set out in the consultation document, the primary access channel model will still allow customers to do this.*
91. A few local authorities thought there should be a local or sub-regional alternative to Business Link. Some representatives of social enterprises and the creative industries thought there was a case for separate access channels for these sectors. Respondents from both these sectors felt Business Link needed to improve its understanding of their needs.
92. *Management of Business Link will stay with RDAs. However, as set out in the Sub-national Review of Economic Development and Regeneration we do agree that local authorities should have a key role in the development and specification of business support services to be deployed in their areas. To meet the needs of social enterprises and the creative industries, RDAs will work with the Office of the Third Sector and with the Department for Culture, Media and Sport to ensure that Business Link services develop appropriately and reach out to, for example, social enterprises and creative industries.*
93. A significant number of respondents to the consultation thought there is currently duplication between the brokerage services offered by business Link and Train to Gain. They argued this should be addressed either by merging the skills brokerage service provided by Train to Gain with the Business Link Information, Diagnosis and Brokerage (IDB) service or improving joint working and coordination between the two. Some respondents also stressed the need to avoid businesses being passed between different brokers and the importance of specialist skills

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brokerage. *In the light of the views expressed in response to the consultation and the conclusions of the sub-national review, Government has decided to merge the Train to Gain skills brokerage service into Business Link, as set out in paragraphs 8 to 9.*

Q9 How can business support services make best use of Business Link as the primary access channel for business?

94. Many respondents thought Business Link should show leadership in: bringing the business support network together; understanding the diverse range of (public, private and third sector) providers of business support solutions; and maintaining an accurate database of the support organisations. They thought this should be combined with sourcing and disseminating good practice among providers.
95. Many respondents supported the idea that all providers should cooperate with Business Link, joining its provider network and stakeholder forums to ensure the primary access channel operated successfully. Business did not want more than one diagnostic – one respondent talked of the risk of “death by diagnosis”. The Institute of Directors commented that diagnostic services should not, “...‘shower’ members with occasional products or ‘initiatives’, but rather offer a full and considered analysis that delivers relevant assistance through the lifetime of an enterprise.” The need for this to be underpinned by an effective and shared client management system was stressed by many respondents as the key to the customer receiving a “seamless journey”.
96. Some respondents thought it important that providers were disciplined in not referring on directly to other providers, but coordinated activity through Business Link. Providers needed “collective allegiance” to Business Link.
97. Many respondents thought the perception and effectiveness of the Business Link offer was ultimately very dependant upon the quality of the provision to which Business Link brokered. To realise the benefits of the ‘information, diagnosis and brokerage’ model required understanding, trust and a shared commitment to improve performance across all organisations involved. The IoD suggested that information derived from advising businesses could be harnessed and deployed in the form of advice on product design, evolution and reform.
98. Some respondents thought that the latest arrangements for the delivery of the Business Link service in England (perceived by some as Business Link “reinventing itself”) needed time to bed in and build credibility, but respondents were generally supportive of the approaches being taken by the RDAs.
99. *All these points on how Business Support Providers could best make use of Business Link as primary access channel will be considered further by the Regional Development Agencies, who have responsibility for*

Business Link.

100. Some respondents expressed confusion about how other business related skills offers (outside Train to Gain) and apprenticeships would be accessed within the new framework. There was concern that the Business Link model as described may not be the most appropriate for apprenticeships.
101. A question was raised by the Association of Learning Providers about whether and how bodies such as the Quality Improvement Agency and Centre for Excellence in Leadership would be incorporated in the overall framework for business support. These provided support which was ultimately publicly funded, to improve the performance of businesses and public sector organisations in learning and skills sector.
102. *These last two points will be considered by the Department of Innovation, Universities and Skills.*

ANNEX 3: ALPHABETICAL LIST OF RESPONDENTS TO THE CONSULTATION

AVON AND BRISTOL CO-OP FINANCE LTD
4TH ANGLE
ACBBA
ADVANTAGE CREATIVE FUND
ADVANTAGE WEST MIDLANDS
ARTS COUNCIL ENGLAND
ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS
ASSOCIATION OF COLLEGES
ASSOCIATION OF CONVENIENCE STORES (ACS)
ASSOCIATION OF LEARNING PROVIDERS
AYLESBURY VALE ADVANTAGE

BATH & NORTH EAST SOMERSET COUNCIL
BBV LTD
BECKMANN, E
BEDFORD BOROUGH COUNCIL
BEDFORDSHIRE COUNTY COUNCIL
BIGNALL GROUP
BIOLINDUSTRY ASSOCIATION (BIA)
BIRMINGHAM
BIRMINGHAM AND SOLIHULL SOCIAL ECONOMY CONSORTIUM
BIRMINGHAM CHAMBER
BLACK COUNTRY CHAMBER OF COMMERCE
BLACK COUNTRY SBS
BRAVE ENTERPRISE AGENCY LTD
BRENT BUSINESS VENTURE - LOCAL ENTERPRISE AGENCY
BRIGHTON & HOVE BUSINESS FORUM
BRITISH EXPORTERS ASSOCIATION
BRITISH LIBRARY

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BRITISH MARINE FEDERATION
BRITISH MUSIC RIGHTS
BRITISH PRINTING INDUSTRIES FEDERATION
BSI MANAGEMENT SYSTEMS UK
BSSEC
BUCKINGHAMSHIRE ECONOMIC PARTNERSHIP
BUSINESS
BUSINESS EXTRA - ENTERPRISE AGENCY
BUSINESS LINK
BUSINESS LINK (EX ADVISOR)
BUSINESS LINK ADVISOR (JOHNS INDIVIDUAL RESPONSE)
BUSINESS LINK DEVON & CORNWALL
BUSINESS LINK NORTH EAST
BUSINESS LINK SOUTH YORKSHIRE
BUSINESS VENTURE GROUP
BUSINESSLINK EAST

CALEMCAL LTD.
CAMBRIDGESHIRE COUNTY COUNCIL
CAPITAL ENTERPRISE
CARLISLE CITY COUNCIL (JOINT WITH CUMBRIA CHAMBER)
CBI
CEDOS
CENTRAL LONDON PARTNERSHIP
CENTRE FOR SUSTAINABLE ENGINEERING
CENTSA (TRADING STANDARDS REGIONAL GROUP)
CHARTERED MANAGEMENT INSTITUTE & IBC
CHELMSFORD BOROUGH COUNCIL
CHEMICAL INDUSTRIES ASSOCIATION
CHESTER-LE-STREET LOCAL STRATEGIC PARTNERSHIP
CIBAS
CITY DEVELOPMENT & ECONOMY
CITY FRINGE PARTNERSHIP
CITY OF LONDON CORPORATION
CLEEVELY, M
CLG - PLANNING, ECONOMIC & SOCIAL POLICY
CLOWNE ENTERPRISE LTD
COMMISSION FOR RURAL COMMUNITIES
COMMUNITY DEVELOPMENT FINANCE ASSOCIATION
COMPANY GUIDES VENTURE PARTNERS LIMITED
CONSULTANT
COOPERATIVE ASSISTANCE NETWORK
CO-OPERATIVES UK
CORNWALL & ISLES OF SCILLY ECONOMIC FORUM
CORNWALL ARTS CENTRE TRUST LTD
CORNWALL ARTS TRUST
COVENTRY AND WARWICKSHIRE CHAMBER OF COMMERCE
COVENTRY UNIVERSITY ENTERPRISES LTD
CREATIVE & CULTURAL SKILLS
CREATIVE INDUSTRIES GROUP - LDA
CROYDON COUNCIL

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CSW PARTNERSHIP LTD
CUMBRIA SOCIAL ENTERPRISE PARTNERSHIP
CUMBRIA TOURISM

DARLINGTON BUSINESS VENTURE LTD
DERBYSHIRE & NOTTINGHAMSHIRE CHAMBER COMMENCE
DERBYSHIRE COUNTY COUNCIL
DEVON COUNTY COUNCIL
DIDCOT
DONCASTER CHAMBER OF COMMERCE AND ENTERPRISE
DOREST STRATEGIC PARTNERSHIP ECONOMY TASK GROUP
DUBLEY MBC
DURAHM COUNTY COUNCIL

EAST HAMPSHIRE DISTRICT COUNCIL
EAST LINDSEY DISTRICT COUNCIL
EAST LIVERPOOL ECONOMIC AND COMMUNITY TRUST LTD
EAST LONDON SMALL BUSINESS CENTRE
EAST MIDLANDS CREATIVE & CULTURAL ECONOMY PARTNER
EAST OF ENGLAND REGIONAL ASSEMBLY
EAST SUSSEX ECONOMIC PARTNERSHIP LTD
EEF, THE MANUFACTURERS' ORGANISATION
EM MEDIA
ENFIELD ENTERPRISE AGENCY
ENGLISH HERITAGE
ENTERPRISE DIRECTORATE CONSULTATIVE BODY
ENTERPRISE ENFIELD
ENTERPRISE FIRST
ENTERPRISE SUCCESS
ENVIRONMENT AGENCY
ENVIRONWISE
ENWORKS
EQUAL OPPORTUNITIES COMMISSION
E-SKILLS UK
ESSENTIAL BUSINESS
ESSEX COUNTY COUNCIL
EXETER CITY COUNCIL

FORUM OF PRIVATE BUSINESS
FREZ LTD
FEERATION OF SMALL BUSINESSES

GATESHEAD COUNCIL
GEDANKEN/2RIGHT LTD
GREAT YARMOUTH BOROUGH COUNCIL
GREATER CAMBRIDGE PARTNERSHIP
GREATER ESSEX PROSPERITY FORUM
GREATER LONDON AUTHORITY
GREATER MANCHESTER BCC
GRIGGS,R

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HALTON BOROUGH COUNCIL
HAMPSHIRE COUNTRY COUNCIL
HANKS, R
HARINGEY COUNCIL
HARLOW COUNCIL
HEREFORDSHIRE COUNCIL
HMM-UK LTD
HOOD ASSOCIATES
HUGHES, F
HULL CITY COUNCIL

INBIZ
INCLUSIVE BUSINESS SOLUTIONS LTD
INDUSTRY FORUM NETWORK
INSTITUTE OF CHARTERD ACCOUNTANTS IN ENGLAND AND W
INSTITUTE OF PHYSICS
IOD
IPSWICH BOROUGH COUNCIL

JOELS, M

KAY,SB
KENT COUNTY COUNCIL
KIRKLEES COUNCIL

LANCASHIRE ECONMIC PARTNERSHIP
LANCASTERE CITY COUNCIL
LEICESTERSHIRE CHAMBER OF COMMENCE
LEICESTERSHIRE COUNTY COUNCIL
LIBRARY AND LEARNING CTR BOURNEMOUTH UNIVERSITY
LIBRARY HOUSE
LINCOLNSHIRE COUNTY COUNCIL
LIVERPOOL CITY COUNCIL
LOCAL STRATEGIC PARTNERSHIP
LONDON BOROUGH OF HOUNSLOW COUNCIL
LONDON BOROUGH OF LAMBETH
LONDON CHAMBER OF COMMERCE AND INDUSTRY
LONDON COUNCILS
LONDON METROPLITAN UNIVERSITY
LONDON REMADE

M4 BUSINESS RESOURCE
MADE IN LONDON
MAKE YOUR MAKE CAMPAIGN
MANCHESTER ENTERPRISE LTD
MANUFACTURING ADVISORY SERVICE
MEDILINK
MEDWAY COUNCIL
MELTON BOROUGH COUNCIL
MERTON CHAMBER
MID SUFFOLK DISTRICT COUNCIL

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MID SUFFOLK DISTRICT COUNCIL
MIDCOUNTRY ASSOCIATES
MIDDLESBROUGH COUNCIL
MIDLANDS AREOSPACE ALLIANCE
MILTON KEYNES ECONOMY & LEARNING PARTNERSHIP

NATIONAL COUNCIL FOR GRADUATE ENTREPRENEURSHIP
NATIONAL FEDERATION OF ENTERPRISE AGENCIES
NESTA
NEW HEART FOR HEYWOOD NDC PARTNERSHIP
NEWCASTLE CITY COUNCIL
NONE GIVEN
NORFOLK COUNTY COUNCIL
NORTH DEVON ENTERPRISE AGENCY LTD
NORTH EAST CHAMBER OF COMMERCE
NORTH EAST COUNCILS
NORTH SOMERSET ENTERPRISE AGENCY LTD
NORTH WEST AEROSPACE ALLIANCE
NORTHEAST PROCESS INDUSTRIES CLUSTER
NORWICH CITY COUNCIL
NOTTINGHAMSHIRE COUNTRY COUNCIL
NUMBERLAND STRATEGIC PARTNERSHIP

O'HARA, HELENA
OXFORD INNOVATION LTD
OXFORDSHIRE ECONOMIC PARTNERSHIP

PARK ROYAL PARTNERSHIP LTD
PARTNERSHIP FOR URBAN SOUTH HAMPSHIRE
PARTNERSHIP INVESTMENT FINANCE
PEAK DISTRICT RURAL DELIVERY PATHFINDER
PINETREE CENTRE
PRESTON BUSINESS VENTURE
PRIME
PROFESSIONAL CONTRACTORS GROUP
PROWESS

QED CONSULTING

R3 ENVIRONMENTAL TECHNOLOGY LTD
RDA - ONE NORTH EAST
RDA EMDA
RDA JOINT RESPONSE - SUBMITTED BY SEEDA
RDA NORTH WEST
RECRUITMENT & EMPLOYMENT CONFEDERATION
REGENERATION SERVICES
REGIONAL FINANCE FORUM OF THE WEST MIDLANDS
REGIONAL ASSEMBLY
ROYAL SOCIETY OF CHEMISTRY'S

SAINT & CO

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SALFORD CITY COUNCIL
SANDWELL METROPOLITAN BOROUGH COUNCIL
SBI - ENTERPRISE AGENCY FOR NORTH HERTFORDSHIRE
SCREEN YORKSHIRE
SEA SPACE
SECTOR SKILLS COUNCIL FOR IT & TELECOMS
SECTOR SKILLS DEVELOPMENT AGENCY
SEFTON COUNCIL
SERCO TTI
SET SQUARED PARTNERSHIP (UNIVERSITY PARTNERSHIP)
SFEDI'S
SKILLS FOR CARE
SKILLS FOR LOGISTICS
SOA DEVELOPMENT
SOCIAL ENTERPIRSE COALITION
SOCIAL ENTERPRISE BERKSHIRE
SOCIAL ENTERPRISE EAST MIDLANDS
SOCIAL ENTERPRISE LONDON (SEL)
SOCIAL FIRMS UK
SOCIETY OF BRITISH AEROSPACE COMPANIES
SOLIHULL MBC
SOMERSET COUNTRY COUNCIL
SOUTH CHESHIRE CHAMBER OF COMMERCE
SOUTH EAST CHAMBERS OF COMMERCE
SOUTH EAST CREATIVE INDUSTRIES BUSINESS ADVISORS
SOUTH EAST ENTERPRISE AGENCY
SOUTH EAST REGIONAL MANUFACTURING FORUM
SOUTH EAST SOCIAL ENTERPRISE PARTNERSHIP
SOUTH HAMS DISTRICT COUNCIL
SOUTH HUMBER BUSINESS ADVICE CENTRE
SOUTH LONDON BUSINESS
SOUTH NORFOLK COUNCIL
SOUTH WEST ENTERPRISE AGENCIES ASSOCIATION
SOUTH WEST HIGHER EDUCATION LIBRARIES (SWHEL)
SOUTH WEST LGA
SOUTH WEST LOCAL GOVERNMENT ASSOCIATION
SOUTH WEST OF ENGLAND REGIONAL DEVELOPMENT AGENCY
SOUTH WEST SCREEN
SOUTHEND BUSINESS & TOURISM PARTNERSHIP
SOUTHERN STAFFORDSHIRE PARTNERSHIP
ST ALBANS ENTERPRISE AGENCY
ST HELENS CHAMBER LTD
ST HELENS COLLEGE
STRATEGIC ECONOMIC DEVELOPMENT & SKILLS TEAM
STRATFORD-ON-AVON DISTRICT COUNCIL
SUB-REGIONAL ECONOMIC PARTNERSHIP FOR HERTS
SUFFOLK COASTAL DISTRICT COUNCIL
SUFFOLK COUNTY COUNCIL
SUSSEX ENTERPRISE

TEDCO BUSINESS CENTRE

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TENDRING DISTRICT COUNCIL
THANET
THE ASSOCIATION OF DISABLED PROFESSIONALS
THE BOROUGH OF POOLE
THE BRITISH CHAMBERS OF COMMERCE
THE CONSULTANCY HOME COUNTIES LIMITED
THE HUB
THE MANUFACTURING INSTITUTE
THE MERTON PARTNERSHIP LOCAL ECONOMY SUB-GROUP
THE PRINCES TRUST
THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA
THE SOCIAL ENTERPRISE PEOPLE
TOWER HAMLETS
TOWER HAMLETS CO-OP DEVELOPMENT AGENCY
TRADING STANDARDS

UFI/LEARN DIRECT
UK BUSINESS INCUBATION LIMITED
UK FILM COUNCIL
UKHCA
UNIVERSITY OF CENTRAL LANCASHIRE
UNIVERSITY OF ESSEX
UNIVERSITY OF GLASGOW
UNIVERSITY OF HERTFORDSHIRE
UNIVERSITY OF THE ARTS LONDON

VACUUM SYSTEMS LIMITED

WANSBECK DISTRICT COUNCIL
WARWICKSHIRE COUNTY COUNCIL
WEADLEN DISTRICT COUNCIL
WELLAND ENTERPRISE AGENCY
WENTA
WENTWORTH CONSULTING GROUP
WEST CORNWALL BUSINESS BROKER
WEST LONDON BUSINESS
WEST MIDLAND ENTERPRISE BOARD
WEST MIDLANDS BUSINESS COUNCIL
WEST MIDLANDS REGIONAL ASSEMBLY
WEST MIDLANDS RURAL BUSINESS ADVISORY GROUP
WEST SUSSEX COUNTY COUNCIL
WEST YORKSHIRE ENTERPRISE LTD
WILTSHIRE STRATEGIC ECONOMIC PARTNERSHIP
WINCH, BC
WINCHESTER CITY COUNCIL
WMHEA C/O UNIVERSITY OF WOLVERHAMPTON
WORK HOUSE LTD

YFM GROUP
YORKSHIRE FORWARD
YTKO

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