

**BERR** | Department for Business  
Enterprise & Regulatory Reform

**SIMPLE SUPPORT, BETTER BUSINESS:  
BUSINESS SUPPORT IN 2010**

MARCH 2008

## **Simple Support, Better Business:** **Business support in 2010**

### **Background**

There are over 4.5 million businesses in the UK. We have the lowest barriers to entrepreneurship of any OECD country, but more can be done to cultivate the growth aspirations of businesses and potential entrepreneurs through creating the right environment for enterprise.

Research has shown that businesses receiving support and advice are more likely to flourish, gaining competitive advantage and creating high value companies that benefit local economies. Most of this assistance rightly comes from private or third sector providers.

But, assistance from the Government can help address market failures or equity gaps, so allowing everyone in society to unlock their talents and realise their full potential, for example in deprived areas or among excluded groups.

Consequently, the Government spends £2.5bn per year in directly supporting businesses to meet the challenges they face, by providing publicly funded grants, subsidies, advice and other support services. Of this, 40% is local funding.

When working well, business support can help enterprise.

### **Guidance helps company to grow**

A £3m contract haul in just eight months has put SG Maintenance Services in Solihull on course for the best period in its 68-year history. The building maintenance specialist provides a single source answer to mechanical and electrical maintenance, retail refrigeration services and installations for customers like Iceland, Marks and Spencers and Woolworths. The firm has a long relationship with Business Link West Midlands, which has helped transform the company into one of the fastest growing regional companies.

“When we first started work with SG Maintenance in 1995, it was turning over just under £5m and employing about 50 staff. Twelve years on and, after using a host of external expertise and guidance, the company has tripled turnover, created nearly 200 jobs and is on the verge of exploring new avenues across the UK.” Andrew Cooper, Business Link West Midlands

But, many businesses say they are confused. Little coordination, numerous schemes and multiple providers mean that some companies, particularly time and cash strapped SMEs, are put off seeking help. The Annual Small Business Service Survey 2005 found that over 50% of small businesses want government help, but struggle to find their way through the maze of provision. This means the businesses that will benefit most from support are often those

least likely to access it. In addition, such confusion means the system is neither cost-effective nor efficient to deliver.

This is not good for business customers, for tax-payers who foot the bill, or for public funding providers, who do not get full return on their investment.

That is why the Business Support Simplification Programme (BSSP) is streamlining the system by reducing the number of support schemes from over 3,000 to fewer than 100, alongside making Business Link the main channel by which businesses can access government support.

BSSP is a cross-Government agenda that is led by Department for Business, Enterprise and Regulatory Reform (BERR) as the representative voice for business across Government.

### **The benefits**

Simplifying publicly funded business support is about better service for customers.

A coordinated, quality system will increase take-up and outcomes for business, and will make provision targeted and cost-efficient for suppliers. The result will be benefits for all.

### **Special support for Social Enterprises**

Social enterprises contribute to a strong economy and a fair society. Such ventures do not always think, however, that Business Link is for them. Business Link in the East Midlands is addressing this problem by integrating specialists that understand the needs and aspirations of social entrepreneurs with the aim of increasing the number of social enterprises in the region and supporting them as they start to grow.

Its promotional and outreach activity in the community will increase awareness and take-up of its services. Business Link staff will be trained to identify social enterprises, effectively diagnose their needs, and highlight appropriate support products and help social enterprises to plan their support needs by suggesting a range of possible suppliers, including specialist social enterprise support deliverers, where appropriate.

In addition, more money will be saved on administration, reducing back-room wastage in favour of increased support.

The case for streamlining support is clear.

## **The business experience in 2010**

It's 2010...

The support landscape is very different. And, the experience of businesses looking for support has changed - for the better.

Business Link is now recognised more than ever before as the first port of call for information and introduction to relevant expertise from the private, public and third sectors. Its service is comprehensive, on-demand, proactive and personalised - available by phone, online or face-to-face at a variety of outlets.

Instead of the previous scattergun approach of confusing government schemes, all publicly funded products are part of one Portfolio that is managed, marketed and monitored in a coherent, coordinated, consistent way. Fewer than 100 products sit under common themes that address a specific business issue, for example, how to start a business, plan a training programme, or preparing to export. Existing schemes that do not fit the new Portfolio and out-of-date products and services have already closed, or are about to.

Business Link is valued for going out to find new customers and helping all of them to access the right kind of support to meet their needs from a range of third party providers.

And, because the system has been streamlined, businesses can be sure the bulk of government money comes to them and is not wasted in back-room administration costs.

### **Scenario 1: Assistance for under-represented groups in 2010**

Saira lives in Maidstone and wants to start her own business importing gift products from her native Pakistan. When a local Business Link outreach adviser visits her community centre to give a talk on starting a business, she is in the front row. There she finds out about the support products on offer to her, including targeted government schemes designed specifically to help her as a member of an under-represented group living in a deprived community. She is now working with a specialist publicly-funded local community business coach to write her business case, and has submitted applications for more BSSP products to help finance her business and find work space. Her advisor has also suggested a couple of third-sector grants that may be of interest to her.

Saira gained confidence while working with the coach, and values the initial advice Business Link gave her. If successful, her applications for support will help kick start her business giving it a good chance of success.

This example shows that, for a business, the customer journey starts with proactive Business Link promotion of their service that raises awareness and prompts business to seek help.

Then, whether opting to visit their nearest Business Link outlet, arranging for a business advisor to visit their premise, or calling the national phone line, businesses talk to a highly trained and experienced adviser. The Business Link adviser helps the business to plan its support needs and suggests a range of possible suppliers.

### **Scenario 2: Helping with product development in 2010**

Andrew is the CEO of a large textile company in Lancashire with over 2,000 employees and 20 years of successful trading behind him. But, global competition is threatening his business. He has an idea for a different type of fabric product which could open new markets, but needs help with technological R&D. His local trade association lists Business Link as a good source of advice, so he phones them on the off-chance and is pleased to be offered an assessment of his business needs. Based on this assessment, the adviser he speaks to recommends that he apply for an Innovation Collaboration product to work with a UK university with specialist knowledge in the area of intelligent technology.

Andrew meets with the university and agrees they are a good match. Their application for government funding is successful, and development work on the product has begun. Looking forward, Andrew's Business Link advisor is now recommending he accesses specialist private sector support to help market their textile technology.

Online, [businesslink.gov.uk](http://businesslink.gov.uk) provides a similar function 24/7. A business can build a personalised profile which is used to suggest their support needs. The easily-navigable index of business support products in the Grants and Support Directory section helps identify what they need. User-friendly information and guides on a range of topics are also available. Their profile is saved in the 'My Business' section of the website, allowing them to pre-populate online applications, making it easy to repeat their experience or modify their details.

### **Scenario 3: Growing a business in 2010**

Josh owns a new media company that provides web services to local businesses in Durham. He employs a couple of designers and has a steady client base. He is ambitious, however, and has just won a pitch for a new contract that means considerably up-scaling his business with more staff and new premises. A friend thinks [businesslink.gov.uk](http://businesslink.gov.uk) may have useful information. He visits the site and finds it easy to navigate and use. He builds his online business profile and through the interactive process quickly assesses his main support need is greater understanding of finance. Using

the online application form, he spends an evening applying for a financial awareness product to back his expansion.

Josh finds the whole process simple to manage, convenient and quick. He is impressed that he could access advice 24/7, and that the products he found suit his business needs so well.

Hence, the future journey of any given customer contacting Business Link for advice – be it via phone, face-to-face, or web – should lead them directly to personalised, targeted, useful advice and support from a range of sources.

### **Getting to 2010**

The shift to 2010 has already begun.

Central Government, Regional Development Agencies, and Local Authorities are working in partnership to close and rationalise existing support products and brands and simplify access, as can be seen from the example below.

#### **Simplified support makes life easier for businesses**

Gateway2innovate was originally set up by East of England Development Agency (EEDA) and brokered by the six regional Business Link operators. The service aimed to assist business start-ups and businesses that wanted specific information advice. They were then directed to the right support services within the region. As a part of BSSP, and in light of the fact that the new region-wide Business Link model would provide similar information, diagnostic and brokerage, EEDA wound up Gateway2innovate in March 2007. From April 07, the Gateway2innovate service was incorporated into the Business Link service. Businesses now have one single gateway to impartial business and innovation advice. This merger provides businesses with a simplified route to business support, giving access to all of the information, advice and business support services they need.

Previous suppliers to Gateway2innovate have had the opportunity to register their details on the regional supplier matching service, so giving them a larger platform to promote their offering.

A new, national Portfolio of no more than 100 shared products is in development. These address common business themes which will particularly help small businesses and enterprising individuals flourish.

Products will go live to businesses on a rolling timetable of no later than dates from March 08 to March 2009.

## **The new Product Portfolio**

The first products available this year cover the themes Export Credit Guarantee (March 08), Skills Solutions for Business, Capital Investment Grants, Preparing to Export, Investigating New Overseas Markets, Getting The Most from Foreign Direct Investment (October 08), Business Collaboration Networks, Shared Business Support Environments (November 08).

From 2009, more products will go live to assist with Debt Finance, Risk Capital, Finance Awareness and Capability (January 09), Business Creation, Business Expertise for Growth, Promoting Resource Efficiency and Sustainable Waste Management, Protecting the Natural Environment, Local Community Business Coaching, Innovation Finance, and Innovation Collaborations (March 09).

Business Link is evolving to take on its role as primary access channel - signposting and advising on support needs. A commitment to new improved national adviser standards and simpler operating structures in some regions are just some of the ways its service to businesses has progressed. Its evolution to better meet business needs will be on-going.

It is also adapting to take on the role of skills brokerage, so helping unlock the talent of enterprising people, and the information, diagnostic and brokerage (IDB) role for a range of existing support products owned by Government.

## **Information, diagnostic and brokerage services**

The skills brokerage for Train to Gain and the IDB services for a range of products in the areas of Preparing to Export, Investing in New Markets products, Promoting Resource Efficiency and Sustainable Waste Management, Protecting the Natural Environment, Business Creation, Business Expertise and Investment Readiness will be included in Business Link's offer to its customers, starting with Skills Brokerage in April 2009.

To ensure that the new support system remains on target and delivers value for money beyond 2010, shared success factors and consistent performance management will be put in place, while a strong, independently chaired Board will act to prevent the proliferation of new schemes, to make sure that we continue to get value for money for this investment, and that business gets the support it needs.

