



Subject:	Supporting Business Start Up and Growth – update and workplan
Date:	8 March 2023
Reporting Officer:	John Greer, Director of Economic Development
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<b>Restricted Reports</b>	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

<b>Call-in</b>	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report or Summary of main Issues</b>
1.1	The purpose of this report is to provide Members with an update on activity undertaken by the Enterprise and Business Growth team in 2022/2023 to support the development of new and existing businesses across the city. The report sets out key priority areas of work for the 2023/24 financial year, seeking approval areas of activity to support the delivery of the targets under the “Our Economy” pillar of the Belfast Agenda.
<b>2.0</b>	<b>Recommendations</b>
2.1	The Committee is asked to:

	<ul style="list-style-type: none"> <li>• Agree the priority work areas presented for the 2023/24 financial year and approve the allocations from the existing 2023/2024 Enterprise and Business Growth budget as set out in section 3.8</li> <li>• Note and agree a financial commitment of £140,000 to Lisburn and Castlereagh City Council (LCCC) towards the Go for It programme</li> <li>• Note and endorse the proposal to invest in the Way to Scale programme and extended support to innovation-focused businesses up to a maximum of £90,000 (work to be coordinated through Catalyst)</li> <li>• Note and endorse the contribution to support the ongoing development of the Dublin Belfast Economic Corridor (work to be coordinated through Newry, Mourne and Down District Council) up to a maximum of £35,000</li> <li>• Note and agree a financial contribution of £5,000 towards the New York, New Belfast event and agree the attendance of Lord Mayor, Chief Executive and Economic Development Director or their nominees at the event (budget set aside within existing International Relations budget).</li> </ul>
<b>3.0</b>	<b>Main report</b>
3.1	<p>Members will be aware that within the 2022/23 period, the Enterprise and Business Growth team has been working to develop and deliver a range of activity to support the growth and development of new and existing businesses across the city, aligned with the “Our Economy” pillar of the Belfast Agenda. This range of activity was approved at the meeting of the City Growth and Regeneration Committee on the 6 April 2022.</p>
3.2	<p>As well as aligning with the Belfast Agenda, the actions also support and add value to work underway through the Belfast Region City Deal, Innovation City Belfast, Smart Belfast and the Innovation and Inclusive Growth Commission as well as the draft Economic Strategy for Belfast. The consultation on the draft Economic Strategy closed at the end of January 2023. Officers are currently analysing the responses in order to ensure that the revised version reflects key elements of commentary. This will be brought back to a future meeting of the Committee for endorsement. In the interim, the work plan will take account of the likely priority action areas within the strategy.</p>
3.3	<p>Officers have been engaging with councils across the region to progress the enhanced approach to business start-up and growth support set out to this Committee in October 2022. Since the last update, the Department for Levelling Up, Housing and Communities (DLUHC) has made a commitment to support an 11-council Entrepreneurship Support Service (ESS),</p>

valued at up to £17million over 2 years from April 2023. This represents a significant scaling up in ambition of the councils' statutory remit around business start-up and targeted entrepreneurship support. At the 17 February meeting of the Strategic Policy and Resources Committee, members agreed that Belfast City Council will play the role of lead council on behalf of each of the 11 councils across the region. The new service will mobilise in September 2023 and, until such time, the Enterprise and Business Growth team will continue the delivery of existing services to support new and existing businesses, social enterprises and cooperatives across the city.

3.4

Since April 2022, the team has been working with partners to develop and deliver interventions that address the City's challenges in relation to low levels of business start-up, innovation, competitiveness and productivity. Some of the key achievements in 2022/23 include:

- Enterprise awareness activity: engaged 755 individuals, supporting them to progress to start a business. We continue to extend our reach to engage those individuals who are under-represented. This includes an increased focus on support for people with disabilities, individuals who are economically inactive, females and young people providing them with tools to overcome barriers to take positive steps to starting a business. 40 students and graduates also accessed support, 12 of whom are currently accessing salary support through Invest NI's Student to First Sale intervention. We also enabled test trading opportunities for 31 new businesses through our dedicated start up space at St George's Market and many of those are seeking to trade at the market on a more regular basis or are exploring alternative retail outlets for their products
- Start a business activity: 503 individuals engaged in business start-up activity, 476 of those individuals developed a business plan through the Go For It programme supporting the creation of 299 jobs. We provided additional support to 70 individuals through 1-1 mentoring and access to financial support of up to £1,500 to help kick start their business
- Support for Social Enterprises and Co-operatives: 60 organisations were supported with one-to-one mentoring, advice and guidance. Four of these organisations were new co-operatives. Overall the Social Enterprise and Co-operative Support programme has facilitated 25 events/workshops with over 300 attendees including regional networking event, virtual global best practice visit and workshops. Our focused engagement with co-operative organisations has continued, and we organised 10 events, attracting 42 attendees. The Social Economy Incentive Fund

launched in September 2022, with an available pot of almost £50,000 to support social economy businesses to bring forward their business growth plans. 46 applications for support were received, 17 of which were shortlisted to pitch and we chose 8 winners. We have been developing our outreach and engagement to increase awareness of the sector, including targeted engagement activity with more than 50 young people in community settings. In recognition of these efforts, Belfast City Council won 'Council of the Year' at the Social Enterprise Northern Ireland Awards in October 2022. In order to move forward on our plans for next year, we have recently completed a mapping piece of the sector to use as a baseline for current position and to explore key development needs. As part of this work, we undertook a benchmarking analysis with two well-performing social economy cities in the UK, Edinburgh and Plymouth

- Business growth support: through our business growth support, we have assigned mentors to over 246 businesses and delivered 20 workshops with over 265 attendees. Through one-to-one engagement we have helped them to implement growth strategies, become more resilient, enhance their digital and online presence, improve tendering skills and access specialist support for businesses with high growth potential. We delivered a large-scale Opportunity Export event for businesses on 28 February with over 70 attendees and speakers from Invest NI, DIT and Intertrade Ireland. We also launched the Digital Surge programme in partnership with the 10 other councils. This supports businesses by helping them develop an innovation and digital transformation plan covering areas such as artificial intelligence, data analytics and immersive technology in order to drive business growth and productivity. 22 Belfast-based companies have benefitted from this support
- City vibrancy: in January 2022, we launched the Vibrant Business Destinations programme in partnership with DfC. This aims to support local business associations to develop and deliver interventions that will drive footfall and create vibrancy in areas outside of the city centre. Four associations have now been supported to develop area-based action plans, 2 of which have accessed funding through the scheme to deliver local marketing activity, events and small-scale environmental improvements. The Enterprise and Business Growth team have also worked with colleagues in the City Regeneration and Development Team to put in place support for local businesses to access the Vacant to Vibrant Scheme

- Innovation Factory: the centre is now at 77% occupancy (yearly average) and the operator has ambitious plans to increase those numbers in 2023/2024. It has seen a high level of interest from new firms in sectors including TV/film, digital, engineering and green tech. Over the year, 78 businesses engaged in masterclasses and events at the centre. As part of their social and economic regeneration activity, 38 work placements have been facilitated by IF customers, and a series of school engagement activities took place involving 223 young people
- Scaling and growth: in partnership with Catalyst and Invest NI, the Way to Scale programme supported 40 individuals to participate on a series of bootcamps to transform their businesses and support them to scale and grow to turnover of more than £3million. 10 were supported to participate in a one week residential at MIT and access a peer-to-peer workshop series with Catalyst. We also put in place support for businesses in creative and digital industries and financial services sectors to build capacity and access opportunities for finance to support the growth and development of their businesses. 90 new companies will be supported through these services
- Dublin-Belfast Economic Corridor work: as previously reported to this Committee, the strategy and action plan to support this work have recently been finalised. The partnership members have agreed to jointly fund two staff resources to drive delivery against priority actions in 2023. €150,000 funding was secured from the Shared Island Fund to conduct a feasibility study on regional Innovation Hubs. This was complemented by a successful joint application with Dublin City Council to the Shared Island Fund for a €250,000 award to conduct a feasibility study on circular economy facilities in both cities.

3.5

Building on these achievements, the proposed work programme for the next financial year will include a number of new work areas including:

- Starting a Business: One of the most significant areas of work in this coming year will be the establishment of the Entrepreneurship Support Service, with the associated transition into a delivery model that is more flexible and focused on client needs. This service aims to attract more people into the “pipeline” and to help more growth-focused start-ups to get the help they need to grow and scale. The ability to attract more people into the “pipeline” will require innovative approaches, particularly where there is a need for cultural change amongst under-represented groups. The planned go live date for the new service is September 2023. In the interim, the Go for It contract will remain in place, with a target of engaging 658 individuals in the first six months of the year. It is expected that this will support the creation of 163 new jobs.

Lisburn and Castlereagh City Council (LCCC) will remain the lead council for the duration of this programme. In order to support delivery of the numbers highlighted above, Belfast City Council will make a payment of £140,000 to LCCC.

- **Social Enterprise and Cooperative Development:** In the next financial year, we will finalise the refresh of our social economy action plan based on research and engagement with sector partners such as SENI, Cooperative Alternatives and Trademark. One new area of activity will be the development of a new financial incentive working alongside Community Finance Ireland (CFI). This will be a hybrid funding model (part loan; part grant funding) in order to improve the financial management skills of new and growing social enterprises. Belfast City Council will make an allocation of up to £60,000 towards the grant element (likely to be up to 25% of overall financial awards to social enterprises) while the remaining element 75% will come from CFI in the form of a loan. In addition to the new financial mechanism, a budget of £120,000 has been set aside for dedicated social enterprise and co-operative support. This will cover a range of support interventions including mentoring, workshops and events
- **Growing a Business:** the new Entrepreneurship Support Service will include growth support for existing businesses. As with the start-up support, this will be more flexible and in keeping with business needs. Pending the introduction of the new service, we will continue to provide mentoring and guidance support to around 160 Belfast based businesses in the period to September 2023. We will also work to deliver a series of workshops and events on issues such as Website and SEO basics, E-commerce essentials, Sales and Marketing, Investment Readiness, Writing a Winning bid, Strategy and Business Planning and Introduction to Innovation. We will also have a range of support services to advice small businesses on critical issues such as environmental sustainability and cyber awareness. A key development area for us this year will be a commitment to increase the number of businesses engaging in export activity. We have set a target of achieving a 10% increase in the value of exports by Belfast-based businesses, bringing them up to the regional average. Through this work, we will engage with our partners such as InterTradeIreland and Invest NI
- **Scaling Support and Innovation:** The Economic Strategy identifies the need to focus on key technologies and priority sectors. These include Fintech and Financial Services, Creative and Digital, Life and Health Sciences, and Advanced Manufacturing, as well as identifying opportunities as part of the green transition and

a drive for more sustainable investment. Working with the City Innovation Team, we are delivering a new intervention to build capacity among local businesses, with a particular focus on helping them to access challenge funds and alternative funding sources, including those coming from the Belfast Region City Deal. We will also continue to work with key partners including Digital Catapult, Ulster University, Queen's University, Catalyst and Invest NI to increase the number of innovation driven enterprises and scaling businesses. This will include support for investment in the Way to Scale Programme. This is an MIT-based intervention that has been successful in significantly enhancing the growth and innovation ambitions of local businesses. It is reaping rewards in terms of fast-tracking growth and job creation plans for participating companies. Based on learning from the initial cohorts, we want to increase the number of businesses engaging in this programme and to offer extended support from specialist mentors once they complete the programme. We are working with Catalyst and Invest NI to create a collective funding allocation to support delivery – with the expectation that participating businesses will also contribute towards programme costs. Final details of the overall programme are currently being worked through but it is expected that the Belfast City Council contribution will not exceed £90,000. Catalyst will act as the contract lead for this intervention and all expenditure will be managed through them

- Investing in Belfast: We will continue to build on our partnerships in London and Dublin to develop co-operation and investment promotion opportunities for mutual benefit. Following development of the strategy and action plan, the work on the Dublin-Belfast Economic Corridor will focus on delivery of key interventions within the plan, supported by the recruitment of dedicated support staff. Belfast City Council will contribute £35,000 towards the work, which is being led by Newry, Mourne and Down District Council who are acting as the chair and secretariat to the partnership. The partnership will also work to complete the feasibility studies on innovation and circular economy that have been funded through the Shared Island Unit
- Supporting events: The Enterprise and Business Growth Team is regularly asked to sponsor/financially support events and conferences in areas that – to a greater or lesser extent – are associated with the unit's priorities, as set out above. While these events can often act as a useful promotional vehicle for Council interventions and can help secure referrals to programme activity, many of these tend to be last-minute requests for relatively small amounts of money and provide little measurable return. In order to assess the impact of the requests, officers have developed a process to measure and score these requests based on their alignment to the "Our Economy"

pillar of the Belfast Agenda, the contribution to the work of the team as set out in this report and the potential to profile the Council activities and generate interest and demand for the services. The total budget to support contributions to events and conferences in this financial year is £62,000 and it is proposed that each application for support will be capped at a maximum of £10,000. Objectives and outputs will be agreed through a funding agreement with the event organisers. This approach has been effective in the past and has helped ensure that our resources are focused on areas of maximum return. Any events that will have wider corporate impact will be brought back to the relevant Committee for consideration and endorsement.

3.6 New York New Belfast (NYNB) 2023– request for financial support

Members will be aware that NYNB has been running for more than a decade. The event, which takes place in New York, brings together leaders from both cities to build business, community and cultural linkages. The 2023 event will take place on 22 June 2023. It will focus on innovation and key growth sectors, in particular financial technology. This is one of the priority technologies set out in the 10X Economic Vision and it is also reflected in the draft Belfast Economic Strategy.

3.7 The event will bring together a targeted audience of 180 of the top business leaders, investors, banks, Government and academia along the US East Coast. A number of key local partners will attend the event including Belfast Harbour; some of the major construction and consultancy businesses and a number of the major FDI businesses that have located and expanded in Belfast. Several partners have already committed sponsorship, including Invest NI, Tourism Ireland, KPMG and NI Bureau. Belfast City Council has been asked to participate in the event and provide a financial contribution of £5,000 towards the overall programme. Both the Lord Mayor and the Chief Executive have been invited to have speaking roles as part of the programme. In addition to the event itself, officers have been working collaboratively with Invest NI New York's office to set up a series of follow-up meetings and new contacts within the Fintech and Net Zero sectors. Funding for attendance at the event has been set aside within the International Relations budget.

3.8 Financial & Resource Implications

The activities outlined within this report will be resourced through the existing Enterprise and Business Growth budget for 2023/24.



	<b>Work area</b>	<b>Amount</b>
	Starting a Business (Including Social Enterprise and Co-operatives)	£621,823
	Growing a Business, Scaling and Innovation	£438,230
	Investing in Belfast (including DBEC and City of London engagement)	£78,300
	Contribution to events and conferences	£62,000
3.9	<u>Equality or Good Relations Implications/Rural Needs Assessment</u> The unit is currently undertaking an equality screening on the overall work programme. This will ensure that due consideration is given to equality and good relation impacts throughout the delivery of the collective workplan.	
<b>4.0</b>	<b>Appendices</b>	
	N/A.	