



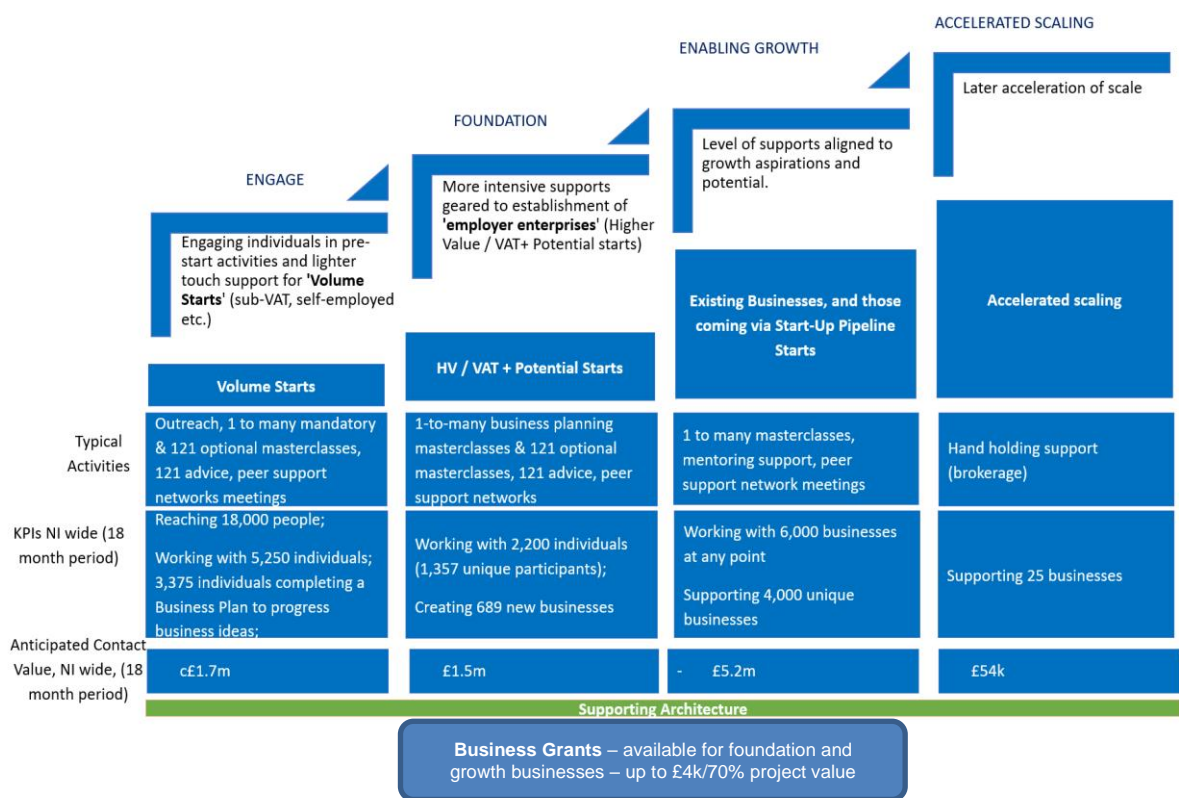
Subject:	Enterprise Support Service update
Date:	9 August 2023
Reporting Officer:	John Greer, Director of Economic Development
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Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, 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"/>

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

1.0	Purpose of Report
1.1	The purpose of this report is to update members on the new Enterprise Support Service – the regional initiative to support business start-up and growth that will be led by Belfast City Council on behalf of the 11 councils.
2.0	Recommendations
2.1	The Committee is asked to: <ul style="list-style-type: none">Note the update on the new Enterprise Support Service, including the planned go-live date for the new intervention.
3.0	Main Report
3.1	At the 17 February 2023 meeting of the Strategic Policy and Resources Committee, members agreed that Belfast City Council should lead on the submission of an application to UK Shared

	<p>Prosperity Fund (UKSPF) for the 11-council Enterprise Support Service model. They also agreed that, subject to additional due diligence and risk management work being undertaken, Belfast City Council should lead on the future development and delivery of the service on behalf of the 11 councils.</p>
3.2	<p>Since that time, a significant amount of work has taken place to finalise the detail of the programme content, start the commissioning process of the new service and set in place the delivery structures so that it can become operational from Autumn 2023.</p>
3.3	<p>As a recap, the service represents the councils' collective response to our statutory responsibility – set out as part of Local Government Reform in 2015 – for business start-up, social enterprise and entrepreneurship for specific target groups such as women and young people. Previously, the majority of the targets associated with the statutory responsibility were delivered through the Go for It programme. However, over time, the funding available for Go for It reduced significantly to the extent that it provided limited support for new start businesses and those target groups. Councils recognised the need for a more ambitious response so they commissioned research from the Enterprise Research Centre at Aston Business School which identified a new model and associated targets that could create a much more dynamic business base across the region.</p>
3.4	<p>The result was an enhanced support service that would provide a continuum of support from early-stage enterprise awareness through to starting, growing and scaling a business. The concept was that the service would help people get the right support at the right time – and would also help maximise other available funding streams by helping businesses to navigate the complex support ecosystem.</p>
3.5	<p>In order to fund the scaled-up intervention, officers identified the opportunity presented through the new Shared Prosperity Fund (SPF). This is the UK Department for Levelling Up, Housing and Communities' (DLUHC) fund that was established as a replacement for EU funding (ERDF and ESF). One strand of funding focused on "Supporting Local Business". The Investment Plan for UKSPF in Northern Ireland was launched in December 2022. At that time, the Plan proposed that a central component of the Supporting Local Business strand would be the 11 council Enterprise Support Service. An indicative financial allocation of £17million - £12 million programme delivery and £5million for small grants – was set aside for the service. UKSPF funding is available to March 2025 so the initial programme period will run from Autumn 2023 to March 2025. The programme overview is detailed below:</p>



3.6 Commissioning of Service Delivery

Taking account of the marketplace, the procurement approach for delivery of the business support services (i.e. 121 mentoring support; masterclasses; peer support networks) was broken down into two main areas, namely:

- Engage and Foundation
- Growth and Scaling.

3.7 For both areas, there was a significant focus on ensuring that the needs of the local business base could be considered – given the differences in business sectors; composition and development needs across the council areas.

3.8 An initial procurement exercise for both areas was undertaken in March 2023. However – for different reasons – it was not possible to appoint preferred suppliers in either of the areas. As a result, additional market engagement was undertaken to re-scope and re-shape the documentation in a way that could ensure delivery of the original ambitions while reflecting market feedback. The Growth and Scaling submissions are currently being assessed and bidders will be appointed in the coming week. The Engage and Foundation submissions are due to close on 21 August and preferred bidders should be appointed by the end of August. The start date for the new service is 1 October 2023.

3.9	<p>In addition to the delivery elements, there are a number of support elements that are being commissioned or developed in parallel. These include:</p> <ul style="list-style-type: none"> • Marketing and communications: this work is being led by Derry City and Strabane District Council (DCSDC). They have completed a procurement exercise for a marketing and communications agency to support with a range of activities including advertising, promotional and brand development. While DCSDC will lead on these elements of work, they will work directly with the overall Programme Lead and the wider team based in Belfast City Council, ensuring that there is a singular approach to delivery • Call handling: the Go for it programme benefitted from a freephone number through which business and entrepreneurs could be directed to the relevant delivery agent. That support will continue under the new service; however it will be extended to cover the full scope of the NIESS servicing enquiries from entrepreneurs and new and existing businesses • CRM: in order to track all business engagement with the service and also support the development of relevant reports for funders and individual councils, a customer relationship management (CRM) system is being developed. Belfast City Council's Digital Services team is taking the lead on this and they will be supported by other council services such as the Information Governance Unit (IGU) and Legal Services in order to ensure compliance with all relevant obligations. The CRM will also be guided by the council's finance and grants management teams, ensuring that it can provide adequate assurances and information required, as set out in the funding agreement.
3.10	<p>At present, Belfast City Council is still awaiting an MoU (Memorandum of Understanding) from the funder. As such, we are not able to proceed with the appointment of any of the contractors (the procurement exercises for the marketing and call handling have already concluded). As time progresses, this presents additional risks for service delivery, given that the end date of March 2025 cannot be extended. Officers are working closely with DLUHC to secure the requisite documentation and review it closely so that the Chief Executive can sign it off and therefore formally commence the delivery activity with the relevant contractors.</p>
3.11	<p>For Belfast – and all councils – this new service represents an important step forward in the councils positioning their intent to drive their local economies – with an increasing focus on support for indigenous businesses. This is reflected in the draft Community Plan that is currently out to consultation. This new approach also ensures that the councils, as a collective, can have a strong voice in the development of the new Entrepreneurship Strategy which will be a key pillar for the delivery of the 10x ambitions. It is also important to note that there is a limited window of opportunity in which to make progress so councils will be focused on ensuring that the new service</p>

	<p>works effectively to meet business needs. However they will also need to consider how they can position the new service to attract additional funding for delivery after March 2025 – recognising the challenges in the public sector investment environment at present.</p> <p><u>Financial & Resource Implications</u></p>
3.12	<p>Belfast City Council will act as the lead council on behalf of the 11 councils for delivery of the service. To do so, we will establish a delivery and management team which will be fully resourced through the DLUHC funding.</p>
3.13	<p>The final budget is subject to completion of the relevant procurement exercises detailed above. The overall indicative SPF budget is in the region of £5million revenue in year 1 and £7million revenue in year 2, with around £5million available across the funding period for grant support.</p> <p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p>
3.14	<p>An equality impact assessment for the service has been completed. Local targets for delivery in each council area have been established and will be part of the contractual commitments with delivery partners.</p>
4.0	Appendices – Documents Attached
	None