

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Economic Development and Rural Affairs
Date:	28 June 2012
Title:	Enterprise First
Reference:	3991
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

1.1. The purpose of this paper is to provide a summary of what has been achieved by the enterprise agency, Enterprise First, as a result of the Hampshire County Council funding awarded for the financial year 2011-2012, in relation to the agreed Service Level Agreement (Appendix 1). This report also seeks approval for a new award of £15,000 for Enterprise First for financial year 2012/13, which will help to address the County Council's priority for supporting the growth of new and start up enterprises in Hampshire.

2. Contextual information

2.1. Enterprise First was established in 1981 as a government initiative to support all those considering starting a business. The symptoms of the economic climate then were similar to now – high unemployment and rioting in the major cities. This was the birth of the “Enterprise Agency” movement – the creation of not for profit public-private sector partnerships.

2.2. Enterprise First currently delivers services to start-up businesses throughout Hampshire, Surrey and Kent. The administrative centre is based in Aldershot.

2.3. The government funded Business Link service was closed in the South East and nationally in October 2011. There is no government funded face to face support for mainstream start-ups – rather clients are directed to a web page for information and interactive training. Whilst it is good to see information accessible in one place, face to face support is the service most valued by start up clients..

2.4. The overall aim of Enterprise First is to provide independent advice, training and support to all those considering starting a business. All base services are

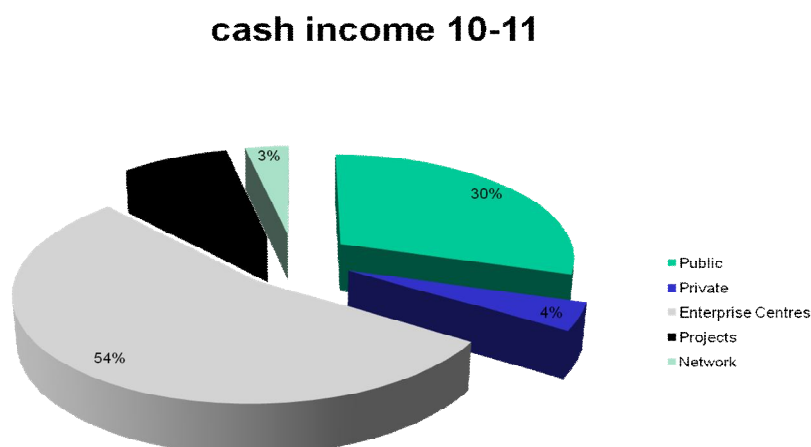
provided free to the client with a subsidised rate for more specialist work. Clients on benefits can access all services for free.

2.5. The range of services provided by Enterprise First in Hampshire include: One to One meetings with a business adviser; workshops; networking events; a regular start-ups bulletin; four managed workspaces; management of the New Enterprise Allowance programme providing volunteer mentors to those registered for six months with Job Centre Plus who are keen to start their own business; and management of the British Bankers Association south-east mentoring programme. More details can be found in the attached report from Enterprise First (Appendix 2).

3. Finance and Performance

3.1. Enterprise First is a not for profit organisation that receives funding from various stakeholders, as well as through its enterprise centres. Hampshire County Council has been a contributor both financially and in-kind to Enterprise First for at least the last five years.

3.2. Figure 1 below shows the break down of income sources, at May 2011:



3.3. In 2010/11 and 2011/12 £15,000pa funding was awarded to Enterprise First by the Executive Member for Economic Development and Rural Affairs under the terms outlined in the Service Level Agreement (SLA), attached as Appendix 1.

3.4. The majority of this funding was targeted at enabling Enterprise First to continue to provide its core service, One to One meetings with a business advisor, free of charge to clients.

3.5. In relation to the SLA, the following was achieved:

- One to One meetings to be delivered: 700

Delivered: In 2010/11 710 meetings (excluding Portsmouth and Southampton).

Delivered: In 2011/12 this increased to 976;

- workshops to be delivered: 10

Delivered 2011: 24 workshops were run in Hampshire (excluding Portsmouth and Southampton);

- business networking events to be delivered: 4

Delivered: 4 business networking events; and

- a free monthly advice bulletin was sent to 2,000 Hampshire clients.

3.6. For 2012/13, it is proposed that £15,000 be awarded to Enterprise First, to continue to deliver the services outlined in the SLA to Hampshire's businesses.

4. Recommendations

4.1. That the continued success of Enterprise First in providing business support to aspiring and established entrepreneurs during challenging times, and its recent achievements in winning both the New Enterprise Allowance and British Bankers Association contracts to provide mentors to new and existing businesses, all be noted.

4.2. That the funding of £15,000 to Enterprise First for the year 2012/13 be approved, enabling it to continue to deliver the services outlined above to Hampshire's new and existing entrepreneurs, which will be monitored by quarterly reports.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	No
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	No
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	No
Corporate Improvement plan link number (if appropriate):	
OR	
This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because: It is an expenditure over £10,000	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u> Grants to business support organisations	<u>Reference</u> 2758	<u>Date</u> 21 st April 2011
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. Equality objectives are not considered to be adversely affected by the proposals in this report.

2. Impact on Crime and Disorder:

- 2.1. The proposals in this report are not considered to have any direct impact on the prevention of crime.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

The proposals in this report are not expected to impact on our carbon footprint/energy consumption.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

The proposals in this report do not affect adaptation to climate change.

Enterprise First

Hampshire County Council

Service Level Agreement

20011/12

1. Introduction

This agreement sets out the terms governing payment made to Enterprise First by Hampshire County Council for business support activities, with particular reference to the provision of free of charge 1-2-1 Client/Advisor meetings.

2. Parties

This agreement is made between Enterprise First and Hampshire County Council Economic Development Office (EDO.)

3. Duration and contribution

3.1 This agreement will run from 1st April 2011 to 31st March 2012, with further negotiated service level agreements lasting for a duration of one year.

3.2 The contribution will be as follows:
£15,000

4. Enterprise First responsibilities

4.1 To provide support to Hampshire businesses, through the services outlined below, including the provision of free of charge 1-2-1 Client/Advisor meetings with accredited business advisors.

4.2 Delivery of agreed services, listed as follows:

a) Free of charge training and advice

- 1-2-1 Client/Advisor Meetings
700 sessions delivered from:
Aldershot, Alton, Andover, Basingstoke, Eastleigh, Fareham, Fleet, Gosport, Romsey
- Telephone Advice (particularly if clients unable to visit an adviser)
- Delivery of 10 free “Business Start-Up” or “Business Ideas” workshops
- Delivery of 4 “Ask the Experts” events

b) Chargeable services

- Delivery of 10 chargeable workshops on the following subjects: Book-keeping, Marketing and Cash Management.

c) Branding

- To recognise that Hampshire County Council’s contribution has supported 1-2-1 Client/Advisor meetings to continue free of charge, by:
- Featuring Hampshire County Council as a sponsor where possible in relation to 1-2-1 Client/Advisor meetings

- Listing Hampshire County Council as a sponsor on all other Enterprise First literature
 - Featuring on www.enterprisefirst.co.uk, linking to www.hants.gov.uk/business
- d) Market Intelligence
- Enterprise First to provide a quarterly report to Hampshire County Council which includes:
 - Activity and intelligence assimilated from their client base, workspace tenants and other stakeholders/partners
 - Update on all service targets
 - Appendix with an annual list of all business advisors, giving details of experience/background/accreditation
- e) Additional services
- To maintain designated Smarter Working Centres in Fareham and Aldershot.
 - Support the work of Hampshire County Council and contribute to the Council's initiatives as appropriate.

5. Hampshire County Council responsibilities

5.1 To ensure that any concerns or suggestions that may affect Enterprise First's ability to carry out the programme are reported in a timely way to the nominated contact.

5.2 To ensure prompt payment of invoice, within a fortnight of receipt.

6. Performance Monitoring

6.1 Monitoring of targets to be undertaken via a quarterly report, as outlined in paragraph 4.2.

Agreed by:

On behalf of Enterprise First

On behalf of Hampshire County Council

John Mitchell, Chief Executive

Chris Shephard, Economic Projects Manager

**Report to Hampshire County Council
Enterprise First Activities
March 2012**

Background

Enterprise First was established in 1981 as a government initiative to support all those considering starting a business. The symptoms of the economic climate then were similar to now – high unemployment and rioting in the major cities. This was the birth of the “Enterprise Agency” movement – the creation of not for profit public-private sector partnerships.

Enterprise First was originally established as Blackwater Valley Enterprise Trust. Over the years there has been a series of mergers to combat lower funding and a desire to more efficiently manage central overheads. Enterprise First merged with others in Surrey, Kent and with the Enterprise Agencies in north west Hampshire and south Hampshire. So Enterprise First currently deliver services to start-up businesses throughout Hampshire, Surrey and north Kent. The administrative centre is based in Aldershot.

The government funded Business Link service was closed in the SE and nationally in October 2011. There is no face to face support for mainstream start-ups – rather clients are directed to a web page for information and interactive training. Whilst it is good to see information accessible in one place, all start-up clients rate face to face support as the service they most value.

The overall aim of Enterprise First is to provide independent advice, training, and support to all those considering starting a business. All our basis services are free to the client with a subsidised rate for more specialist work. Clients on benefit can access all services free.

We hold ISO 9000 accreditation and Investors in People. Independent feedback from clients is collected and 96% of clients would recommend our services to others.

Our range of services include:

One to One meetings with a business adviser

This is our core mainstream service and clients can book a meeting at a number of locations across the County. In 2010-11 we delivered 710 client meetings (excl. Portsmouth & Southampton) and expect to exceed this during 2011-12.

Workshops

We deliver a range of business start-up workshops and skills workshops in marketing and book-keeping. During 2011 we delivered 24 workshops in Hampshire (excl. Portsmouth & Southampton)

Networking Events

We hold monthly networking events in the Blackwater Valley area, mostly based in and around Aldershot.

Start-up Bulletin

We deliver a free monthly bulleting to approx. 2,000 Hampshire clients providing up to date news on small business issues and access to a library of free information and resources.

New Enterprise Allowance

We are managing the NEA programme across Hampshire and Isle of Wight. It will run to January 2014 and will allow those registered for 6 months with JCP an opportunity to start their own business, retaining JSA for the first 13 weeks of training and 50% of JSA for the next 13 weeks. A volunteer mentor is provided to help the clients draw up a Business Plan and to continue mentoring for the first 6 months of trading. 700 business starts are budgeted. To date demand is running 40% ahead of budget.

Nokia

This company is closing its Farnborough site with the loss of 700 jobs. We have been working with them to support those being made redundant who would like to start their own businesses. Nokia are providing a start-up grant to its staff and we are reviewing and advising on all Business Plans. We expect 100 business to start by December 2012, many with high potential for growth.

British Bankers Association

We are managing on behalf of the BBA a south-east mentoring scheme aimed at existing businesses. The mentor is provided from an employee of the six main clearing banks and trained, inducted and managed by Enterprise First. The scheme has started slowly with 30 mentors available to date but has the potential to grow rapidly.

Managed Workspace

We manage four Enterprise Centres in south Hampshire on behalf of local authorities offering easy in-easy out terms on four week licenses providing small businesses with the flexibility to move up or down or back out with little financial risk. Occupancy levels run between 80% and 90% with a total of 140 units let.

Other Initiatives

HCC - Smarter Working Centres – we have invested in 2 centres at Aldershot and Fareham on a matched funding basis with HCC.

HCC – Economic Military Partnership – we participate in the partnership meetings and exhibit at the various events supporting service leavers into self-employment.

Local authorities – we support various events such as employment fairs and business exhibitions

Signposting - we advise clients of their compliance needs i.e. planning, environmental health etc and refer onto the appropriate authority.