

APPENDIX B – CONSULTATION

Overview

The main external and internal consultation exercise, which contributed to the development of the Enterprising West of England Programme and its application for ERDF funding in 2016 was undertaken by the Council as a member of, and in conjunction with the West of England LEP (Local Enterprise Partnership), during 2013-14. After a wide-ranging consultation of public, business and community sector stakeholders co-ordinated by the LEP Office, and, in Bristol, by the Economic Development Team of the Council, the West of England ESIF (European Structural and Investment Funds) Strategy was approved by government in late 2014. This document summarised the West of England partners aspirations and plans, amongst other objectives, to develop cross-boundary projects to support the formation and growth of SMEs (Small and Medium sized Enterprises) and also to integrate advice to promote best environmental practices and use of low carbon technologies in businesses.

In Bristol, consultation was also carried out with the beneficiaries, delivery agencies and community stakeholders in the previous 2010-15 ERDF enterprise support programmes, and, in particular, through the Bristol Urban Enterprise Programme Steering Group, convened by the Council, with a view to encouraging networking and co-operation between project promoters and learning lessons of that programme. Formal external evaluation of major projects including Outset Bristol and Improving Your Resource Efficiency ('Bristol Go Green') was carried out in 2015. The New Economics Foundation concluded that the Outset Bristol project was amongst the best practice in England in delivering a socially inclusive, community-based approach to promoting entrepreneurship and supporting start-ups.

The West of England ESIF Strategy summarises the consultation of stakeholders undertaken at page 59. The full document can be viewed at <https://s3-eu-west-1.amazonaws.com/so-welep-plloads2/files/Funding/EU%20SIF%20strategy%20v13%20JAN%202016%20refresh.pdf>

West of England ESIF Strategy - Consultation Process

We worked with our consultants to produce a communication plan and the associated paperwork. The consultants undertook consultations with the CVS sector, the four Unitary Authorities and members of the ESIF drafting group were asked to cascade information on progress via their constituencies. The membership of the group and the related constituencies were:

Paul Wilson, West of England LEP, CEO
Antony Corfield, West of England LEP - CEO LEP Executive/Board internal consultation
Steve Penaluna, West of England LEP – LEP Sector Groups
Ian MacDougall, Bristol City Council - Unitary Authorities officers, economic development officers, elected members
Clive Wray, Business West - business support organisations and the Initiative
Sue Attewell, West of England LEP - Skills team and the Skills Partnership
Chris Head, West of England Rural Network -Social Enterprise, Rural and civil society
Martin Boddy, University of the West of England - Higher and further education

The initial consultation has involved a cascade by via the Drafting Group to 27 individuals in the rural sector, social enterprise, VCS and the local nature partnership, 57 in business, 33 skills, 17 sector group contacts – in total amounting to 134. The Unitary Authority consultation sessions involved approximately 40 local authority practitioners from Bristol City Council, South Gloucestershire, North Somerset and Bath & North East Somerset. There were also direct consultations with skills practitioners (15) and a CVS group involving around 70 representatives. In addition the LEP CEO launched the wider initial ESIF consultation to the West of England Initiative on 16 September (140 people attended). Both the Project Management Board and Executive Board have been briefed. Telephone interviews have been conducted with another four individuals and the team were given access to the results of the SEP consultation which involved 65 individuals from all areas of local economic development. At the time of drafting the team had received 15 formal responses to the website consultation and proposals for more than 50 projects. There was clear and broad support for all the proposed activities with some recommendations to reduce them (some of which have now been taken into account in the final drafting). In the round we believe that over 200 local people have been involved in the development of the ESIF to date.

West of England ESIF Strategy – Headline Objectives

Our Strategic Objectives and Vision

Our vision is that by 2030 the West of England will have:

- One of Europe's fastest growing and most prosperous sub regions which has closed the gap between disadvantaged and other communities – driven by major developments in employment and Government backed infrastructure improvements in South Bristol and North Somerset.
- A buoyant economy competing internationally, based on investment by innovative, knowledge-based businesses and a high level of graduate and vocational skills.
- A rising quality of life for all, achieved by the promotion of healthy lifestyles, access to better quality healthcare, an upturn in the supply of affordable housing of all types and the development of sustainable communities.
- Easier local, national and international travel, thanks to transport solutions that link communities to employment opportunities and local services, control and reduce congestion and improve strategic connections by road, rail and through Bristol Airport and Bristol Port.
- Cultural attractions that are the envy of competitor city regions across Europe, making the West of England the place of choice for talented, creative workers and affluent visitors.
- Success secured in ways that are energy efficient, protect air quality, minimize and manage waste and protect and enhance the natural and built environment.
- Built upon the benefits of its distinctive mix of urban and rural areas.
- Real influence with regional and national government, by demonstrating vision and leadership and delivering these achievements.

The LEP will provide leadership to proactively drive and deliver sustainable economic growth alongside enhanced quality of life capital in the West of England. Our objectives are to:

- 1. Create the right conditions for business to thrive. Give confidence and certainty to our investors to attract and retain investment to stimulate and incentivise growth.**
- 2. Ensure a resilient economy, which operates within environmental limits. That is a low carbon and resource efficient economy, increases natural capital, and is proofed against future environmental, economic and social shocks.**
3. Create places where people want to live and work, through delivery of cultural infrastructure and essential infrastructure, including broadband, transport and housing to unlock suitable locations for economic growth.
4. Shape the local workforce to provide people with skills that businesses need to succeed and that will provide them with job opportunities.
- 5. Ensure all our communities share in the prosperity, health and well-being and reduce the inequality gap.**

By 2030 the West of England LEP area economy is projected to grow by 65,000 jobs with 2.6% GVA growth. This is less than our previously stated ambition of 95,000 jobs and 3.4% GVA growth over the same period. We remain ambitious for higher levels of growth than our base line.

West of England ESIF Strategy - Activity 4:

Increasing growth capability in SMEs by providing access to business support services, including funding

Rationale

Despite the simplification of national programmes in recent years, businesses continue to report confusion over where to seek help and ignorance of what help is available, whether provided locally, regionally or nationally. A recent Centre for Cities report confirmed that “There is certainly no shortage of business support initiatives. There are currently 900 local and national, public and private support schemes in the UK, but the current offer is not well structured.....” This level of complexity and lack of structure means that the business support system is hard to navigate, evaluate or manage.” The proposed Growth Hub, including ERDF funded support, will help businesses to navigate the ‘system’ deriving the best added value from the most relevant schemes to meet their needs.

There is imperfect information about the potential benefits of drawing on external expertise, how to address any lack of finance and the value of increasing expertise/knowledge and/or skills. In addition, a higher proportion of West of England enterprises have smaller turnovers and lower levels of employment than their national counterparts. Imperfect information results in low investment readiness and limited use of training. Serious gaps in financial provision result from cautious banking creating funding gaps for businesses that lack collateral or track records. The proposed Growth Hub will help businesses overcome these challenges.

We also seek to increase the number of SMEs in the West of England to better balance the area’s dependence on larger companies compared with the national average.

Overview

A cohesive and effective local business support infrastructure, to which ERDF funding will contribute, is proposed; the West of England Growth Hub. It will ensure local start-up and existing businesses gain advice and guidance in the most timely and cost effective way, thereby ensuring they have the best chance to succeed and deliver the growth in jobs and profitability (measured by GVA) the area needs.

Within the Growth Hub, ERDF funding will focus on those elements not fully provided by other local, regional or national programmes, i.e.:

- a local information centre providing open access to all businesses from pre-start to high-growth;
- face-to-face advice, guidance and coaching (additional to GA) to businesses most likely to contribute to local economic growth objectives (particularly those in the key sectors);
- optimum use of technology, local networks and clusters;
- recognising, accommodating and supplementing existing account management and delivery relationships with other business support providers;
- facilitating an effective business support referral network, including public and private providers;
- capitalising on nationally funded support by enabling effective collaboration and reduced duplication; and
- creating facilitated access to a linked network of specialised local business support providers that can concentrate on what they do best

In order to realise the 'Heseltine' engagement objective, i.e. to deliver the support business needs at a local level and contribute to economic growth objectives, the Growth Hub will be structured to engage with all of the following SME groups:

- start-up (by association pre-start) with a focus on those with high growth potential;
- micros (<10 employees) readily able to expand;
- existing businesses, of all types but particularly those sub-high growth but with the potential to employ a few more local people if helped to improve their business performance ('Better Business');
- high growth businesses, particularly those in the SEP key sectors; and
- trading social enterprises