

APPENDIX A (i)

West of England

Full Business Case

Scheme: South Bristol Enterprise Support

		Originated	Reviewed	Authorised	Date
1	Version 1.0	Robin McDowell, Area Regen Co-ordinator, Economic Regeneration, BCC	Kayode Olagundoye, Finance Business Partner, Growth & Regeneration Directorate, BCC		16/10/2019
2	Version 2.0	Robin McDowell, Area Regen Co-ordinator, Economic Regeneration, BCC	Kayode Olagundoye, Finance Business Partner, Growth & Regeneration Directorate, BCC		29/10/2019
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Executive Summary

The South Bristol Enterprise Support project is a £1.715 m (total cost) enterprise start up and growth advice and support service, including grant schemes, for both new entrepreneurs and early to later development stage SMEs located across the wider South Bristol area, but targeting in particular residents and businesses within the South Bristol Regeneration Area (Knowle West, Hartcliffe and Withywood, Hengrove and Whitchurch Park, and parts of Knowle, Bedminster, Windmill Hill, Bishopsworth and Stockwood wards), over a 3 year period from Jan 2020 to Dec 2022. Encompassing the full business formation and growth lifecycle, the Project will offer support for new and existing social enterprises as well as conventional private enterprises in a range of established and emerging sectors in South Bristol, including construction and engineering, creative and digital media, food and green tech and services. It will also target entrepreneurship and start up coaching on social groups under-represented in enterprise, especially young people, women, BAME and people with disabilities.

The Project will be led by Bristol City Council in its role as the lead and accountable body for external funding and delivered by a consortium of four core delivery partners - YTKO Ltd, School for Social Entrepreneurs, The Prince's Trust and Knowle West Media Centre. In addition a Pre Scale Up support contractor will be procured by BCC. Each Partner will focus on particular key sectors or beneficiary groups applying their specialist expertise and local networks, and working collaboratively to inter-refer clients, as follows:

Construction, Engineering and Food Services - YTKO Ltd;

Creative and Digital Manufacturing - Knowle West Media Centre;

Youth - from disadvantaged areas and under-represented groups in enterprise – The Prince's Trust;

Social – across a mix of sectors - School for Social Entrepreneurs.

The wider delivery context is the regeneration of Hengrove Park, and other sites in Filwood, Hartcliffe and Bedminster for over 2,000 new housing units and mixed uses, including new employment space, and provision of new transport, fibre broadband and low carbon infrastructure in South Bristol, as set out in the South Bristol Sustainable Urban Development Strategy (2017) . The Project will extend and improve on support provided by soon-to-complete ERDF schemes aimed at start up and early stage in the area, such as Enterprising West of England, Social Enterprise & Innovation Programme, and Network 4 Creative Enterprise, as well as collaborating and referring clients, as appropriate, to on-going SME growth support schemes such as Scale Up Coaching Grants (Business West) and Innovation 4 Growth (UWE), Creative Scale Up (WECA) and Green Business Grants (WECA).

The Exit Strategy for the project will be to seek funding for a further 3 year project (2023-25) after the end of the South Bristol SUD ERDF programme from the WECA Investment Fund Business and Skills pot by integrating South Bristol with the wider City of Bristol delivery under Phase 2 of the proposed West of England Universal Business Support programme. It will also explore potential to include a greater proportion of funding contributions from growing SMEs to co-finance the Phase 2.

1 Strategic Case

1.1 State Aid Considerations

[Indicative 250 words]

1. Is the assistance granted by the state or through state resources?	Yes
2. Does the assistance give an advantage to one or more undertakings over others?	Yes – but see ‘de minimis’ exemption below
3. Does the assistance distort or have the potential to distort competition?	Yes - but see ‘de minimis’ exemption below
4. Does the assistance affect trade between Member States	Yes – but see ‘de minimis’ exemption below.

The beneficiaries will be individuals (potential entrepreneurs) and SME businesses eligible and qualifying for the programme. Individuals will not be liable for State Aid but any undertakings will be subject to the De Minimis approach to determine if they are in breach of State Aid legislation. These individuals and business beneficiaries are unknown at present, but will likely be sole traders, social enterprises and private limited companies (of micro, small and medium size).

Bristol City Council (BCC) and the Delivery Partners have considered Article 107(1) of the Treaty on the Functioning of the European Union , EDRF guidance and state aid implications for each group of potential recipients of EDRF funds for this project, and have concluded, as follows:

1. Lead Authority (BCC) and Delivery Partners beneficiaries:

Aid is being granted to BCC and the Delivery Partners through State resources and favours certain undertakings (i.e. BCC and the Delivery Partners). This is because Bristol City Council and the Delivery Partners are acting jointly as an economic entity in the delivery of support for South Bristol enterprises.

However the aid received by BCC and the Delivery Partners does not distort or have potential to distort competition nor does it affect trade between member states. BCC and the Delivery Partners will be acting as intermediaries and will not receive a benefit relative to any competitors. They will only receive payment for eligible costs defrayed. Payment for indirect costs will be limited to 15% of eligible direct salary costs, and therefore they will receive no benefit. The aid they receive is therefore compatible with the common market.

BCC and the Delivery Partners will procure all goods, works and services in accordance with the EU Treaty, BCCs Corporate Procurement Policy which is in line with the national Public Contract Regulations 2015 and ensure that any eligible costs defrayed are done so in accordance with the EDRF procurement rules. Any aid flowing through to third parties will be compatible with the common market.

2 Individuals beneficiaries in receipt of Pre-start up support

BCC together with its Delivery Partners (under the ERDF programme) will provide Pre-start up support. Pre-start up support will be provided to individuals and not to any undertaking carrying out economic activity. Because the support will be provided to individuals and not to an undertaking the support will not amount to state aid. In addition any funding provided to an individual will be on a small scale and will not exceed €200,000 over a three-year fiscal period.

3 SME beneficiaries – Post-start up support

BCC together with its Delivery Partners will provide post-start support to SMEs under the ERDF programme. The support will favour certain undertakings (i.e. SMEs), may distort or threaten to distort competition, may have an effect on trade between Member States, and thus constitute state aid. However BCC and its Delivery Partners will ensure that the following measures are put in place before any undertaking receives aid:-

- a grant application process will be conducted. SME's and grant recipients will be required to go through an open, transparent and competitive process before receiving aid. This will ensure that any undertaking who receives aid will not receive a competitive advantage over its competitors;
- and before any EDRF funds are received by an undertaking an assessment will be conducted to ensure that funds are defrayed in accordance with the de minimis exemption. The value of funds received by SME will be small scale and would be lower than €5000 per support intervention. The recipient will be asked to confirm that they have not received state aid (including any funds from this application) that exceed €200,000 over a three-year fiscal period calculated at gross grant equivalents (GGE). Only once confirmation has been received that the grant will be within the de minimis limits will funds be defrayed.

Not all public funding constitutes State Aid. Only a measure which satisfies all of the conditions set out in Regulation 107(1) of the Treaty for the Functioning of the European Union is regarded to be a State Aid. Where financing of the project constitutes state aid, the measure will still not require notification because measures will be put in place by BCC and the delivery partners to ensure that the total amount of grants (cash and in-kind) for the same eligible costs over any period of three fiscal years does not exceed EUR 200 000 ("de Minimis" rule). See **Annex 1 – State Aid Tests** for the methodology that will be applied to test whether a potential beneficiary is outside the scope of state aid.

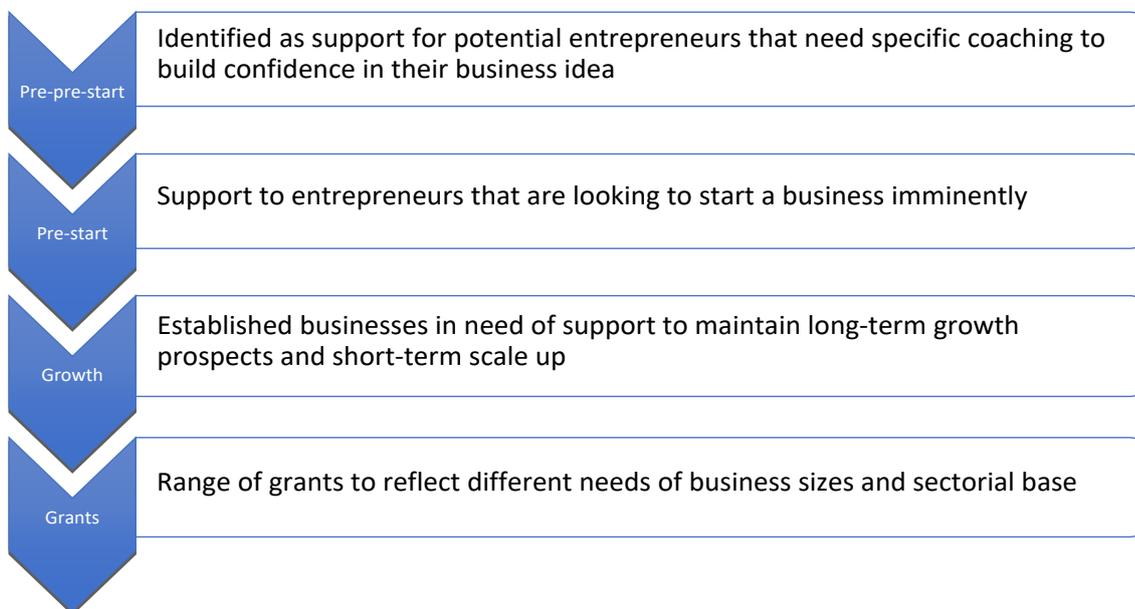
1.2 Project Description

[Indicative 300 words]

The Project will co-ordinate a comprehensive service matrix to support the start-up and growth of SMEs in a variety of sectors targeting the South Bristol Regeneration Area (SBRA), comprising Filwood, Hartcliffe & Withywood, Hengrove & Whitchurch Park, and parts of Knowle and Bedminster wards, and the wider South Bristol area south of the Avon. The first phase of the project will be over three years from Jan 2020 to Dec 2022 with community engagement and business support delivery focussed on access points within the SBRA, but extending also to individuals and businesses based in the wider area, who have potential to create new enterprises and employment benefiting the more disadvantaged SBRA wards.

Using a network of existing business sites and community centres across the SBRA (including Filwood Green Business Park, Cater Business Park, Knowle West Media Centre, Hartcliffe and Withywood Ventures, The Park Opportunity Centre and Hartcliffe Community Farm), the project will deliver an integrated suite of enterprise coaching and support services, including seed finance in the form of grant schemes to assist start up and early to later stage growth.

Encompassing the full business formation and growth lifecycle, and promoting both private and social enterprise models, the four core delivery partners (YTKO Ltd, School for Social Entrepreneurs, The Prince’s Trust and Knowle West Media Centre, plus a Pre Scale Up support contractor (to be procured by BCC) will provide services as segmented below:



Additionally, the support offer will be tailored and targeted to key sectors (prevalent or emerging in the South Bristol economy) and beneficiary groups, with each Partner applying their specialist expertise and networks, and working collaboratively to inter-refer clients, as follows:

Construction, Engineering and Food Services (YTKO Ltd);

Creative and Digital Manufacturing (Knowle West Media Centre)

Youth - from **disadvantaged areas** and **under-represented groups** in enterprise (Prince’s Trust)

Social – across a mix of sectors (School for Social Entrepreneurs).

Where appropriate, the Project will refer SME clients for additional or alternative support directly to other support programmes (e.g. the Enterprise Allowance Scheme, and the Scale Up, Innovation Support and Green Business Grant programmes run by WECA, Business West, UWE and University of Bath) or via the WECA Growth Hub.

WECA funding is required to contribute equally across the start up and growth support strands and as match funding (28%) to ERDF and private sources for a total Project cost of £1.715 m.

1.3 Project Objectives and Case for Change

[Indicative 250 words]

The South Bristol Sustainable Urban Development (SUD) Strategy was adopted in 2018 as an adjunct to the West of England ESIF Strategy, and with a major focus on SME Competitiveness. According to the strategy, ‘the South Bristol Regeneration Area is distinctive in being one of the most disadvantaged areas, yet with great untapped potential, in one of the wealthiest cities in the UK’. It also points to a structural problem, especially in the SBRA wards, of an enterprise deficit impacting its local economy: ‘Bristol has one of the highest business start-up rates of major UK cities - over 4,000 new starts in 2015. However, the number in South Bristol was just 731, the lowest annual rate from 2009 to date. Furthermore, South Bristol has seen a steadily declining share of the City’s jobs (18.4%) and the SBRA has just 4.4% of the City total’. Thus a key priority of the SUD strategy is to build upon

the momentum of recent new housing, transport and other investment by creating a longer-term infrastructure to improve business start-up and growth support and make it easier to access locally. It calls for actions which will 'outreach into the SBRA neighbourhoods to raise awareness of individuals and groups and support them to assess their skills and resources, generate and test ideas for viable and sustainable private or social enterprise start-ups (drawing on evaluation and learning from the previous ERDF funded projects in South Bristol).'

Against this strategic background the Project's objectives and related outputs over 3 years) are:

- i) promote and enable increased entrepreneurship and enterprise formation in the disadvantaged SBRA communities and among under-represented groups (women, young people, BAME, and disabled people) through both private and social enterprise models;

Outputs: 145 individuals coached to be 'enterprise ready' (minimum 12 hours support)
39 new private or social enterprises registered

- ii) support existing businesses and social enterprises, across the wider South Bristol area, who do or will employ SBRA residents, at both early and later development stages, to survive and grow, creating jobs and local supply chains;

Outputs: 163 enterprises receiving information, diagnostic & brokerage support (min 3 hours)
142 enterprises receiving advice and support (minimum 12 hours)

- iii) offer more specialist advice and financial support to strengthen both the new and longer-established sectors of the South Bristol economy, including creative, cultural and film/media, digital manufacturing, software/apps development, and green tech, alongside construction, food service, small-scale manufacturing and engineering.

53 enterprises receiving grant only support (with £133,500 SME match contribution)
35 enterprises developing new to firm products
17 enterprises developing new to market products

The Project evaluation in year 3 will also assess the potential for more established and growing SMEs to repay a proportion of WECA grant, or make a higher co-financing contribution to 'scale up' support provided under any Phase 2, subject to approval.

1.4 Rationale for Public Intervention

[Indicative 250 words]

The main rationale is that, although a range of public funded business support services are being delivered at a city regional level, their operational outreach and impact in South Bristol and the peripheral SBRA appears to be limited. Analysis by the Partners (YTKO, SSE and The Prince's Trust) involved in city regional programmes of the take-up of both pre and post start-up / early stage support by residents and businesses in the SBRA and wider South Bristol over 2017-19 reveals an under-representation of the area's share of the City of Bristol population. In addition, the data from Business West and the new WECA Growth Hub points to the same conclusion. For example, of nearly 200 support enquiries received by the Growth Hub in 2019 to date, only 20 have come from businesses in South Bristol and just 3 from the SBRA. Of 103 companies across the City of Bristol taking up support from Business West's Scale Up Coaching Grant scheme to date, only 17 (16%) are from South Bristol, and 3 from the SBRA. Feedback from groups such as the FSB Bristol branch and the South Bristol Business Group indicates that support agencies have no office bases and hence a relatively low profile in the area; also that their offers are not well tailored to the local sectoral profile.

There is also a need for better targeted support in the area as the existing business stock in South Bristol (4,935 units representing 22% of the City of Bristol total) is very heavily weighted towards SMEs (99% of units) and, within that, towards 'micros' (83.4%) with small businesses making up 14.4% (705

units) and medium-sized 2.2% (105 units). The SBRA hosts just 25% (1260 units) of South Bristol businesses, and has very similar proportions of micro, small and medium businesses. (Source: UK Business Counts, Nomis, 2019). Hence there is likely to be a reduced capacity to pay for commercial advice and consultancy and raise finance for business growth.

The sectorial profile also shows up some clear contrasts between South Bristol and the City of Bristol as a whole. A significantly larger proportion of South Bristol businesses are in the industrial and warehousing sectors – 36% (and 52% in the SBRA) compared to 22.3% in the City of Bristol –and a significantly lower proportion in office sectors – 16-18% compared to 29%. (Source: Land and Property Gazetteer, 2019). This also supports the case for a more sectorally targeted approach for South Bristol.

1.5 Strategic Fit

[Indicative 300 words]

The Project has a strong alignment with the West of England Strategic Economic Plan (2015-30) which affirmed the priorities of improving the infrastructure and connectivity of South Bristol to attract investment and support local growth, and closing the gap between disadvantaged and other communities in the West of England. It will contribute towards the goals of new job creation alongside new homes in South Bristol.

In its targeting of SMEs in emerging as well as longer established industrial sectors for growth support, including creative, digital, green tech, and food, the Project aligns with the ‘smart specialisation’ sectoral approach of the SEP and at least four key objectives of the West of England Local Industrial Strategy published in July 2019 - Inclusive Growth, Productivity, Cross-Sectoral Innovation and Clean Growth. For example, a distinctive contribution to Cross-Sectoral Innovation is that the Project will offer access and free technical support for local businesses undertaking product development at the new Sensor R&D Lab and ultra fast fibre network being provided at Knowle West Media Centre’s ‘The Factory’ facility with LGF funding from the Open Programmable City Region project. Increasing productivity by providing management and organisational coaching, alongside grants and loans for capital investment will be a key objective of the growth support delivered by Partners and sub-contractors for both early and later stage SMEs.

With reference to City of Bristol strategies, the Project will encourage and enable new and existing South Bristol businesses in the construction, engineering and environmental sectors to focus on product and service innovation linked to the One City Plan priorities around house-building, new workspace and industrial estate improvement, sustainable transport, low carbon energy, zero waste and circular economy. In its focus on supporting new entrepreneurs from disadvantaged communities and under-represented groups, it will provide an important area-based initiative for the Inclusive and Sustainable Economic Growth Plan (under the OCP).

1.6 Options Appraisal

[Indicative 400 words]

The alternative options considered by BCC to the current proposal were:

Alternative Option 1: seek to extend and strengthen the South Bristol focus of the existing ERDF co-funded enterprise start up and early stage growth support programmes covering South Bristol, ie. Enterprising West of England, Social Enterprise & Innovation, and Network 4 Creative Enterprise.

This option was rejected because:

- i) Under the current West of England ESIF / ERDF Programme, there are no or only very limited further unallocated funds under Axis 3 (SME Competitiveness) for an extension of any of the above programmes which have closed or are due to close by end of 2019. Bids for Axis 4 (Transition to Low Carbon Economy) ERDF would be possible, but would unduly restrict the scope of the project in terms of largely removing any focus on entrepreneurship and start up, and reducing the specialist technical support content for emerging and core sectors to energy and resource efficiency only. It may also fail to reach the required ERDF project size threshold of £500,000.
- ii) Even if further Axis 3 ERDF was available, extensions were only likely to be offered for 1-2 years at the most, until the end of the current programming period, which is an insufficient timescale to meet the need for an improved and longer term enterprise support infrastructure for the area.

Alternative Option 2: Do nothing and not seek to provide any South Bristol focussed service

This option was rejected because:

- i) It would maintain an unsatisfactory and potentially destabilising status quo with South Bristol’s prospective entrepreneurs and 98% micro or small-sized business community having relatively poor local access to city regional support services and so risk the low enterprise start up, survival and growth rates, especially in the South Bristol Regeneration Area, persisting for a further medium to longer term period.
- ii) It would fail to harness the specific ring-fenced Axis 3 ERDF resources under the EU-backed South Bristol SUD Strategy (which require public and/or private match funding to be secured) for enterprise start up and growth support.

1.7 Environmental Sustainability Considerations

[Indicative 250 words]

Bristol City Council will manage and deliver this Project, and require its Partners to do so, in accordance with its energy and climate change, waste and resource use strategies - ‘Our Resilient Future: a Framework for Climate and Energy Security’ (2015) and ‘Towards a Zero Waste Bristol – Waste and Resource Management Strategy’ (2016), and in partnership with other civic organisations such as the Bristol Green Capital Partnership to ensure sustainable development and deliver positive environmental impacts. Specific measures to maximise potential positive environmental impacts and mitigate potential negative impacts will include:

- proactively communicating ERDF opportunities and best practice in relation to environmental sustainability, e.g. in relation to enterprise support;
- promoting the participation of the environmental sector in project activities and events, including dissemination through specialist organisations and networks (principally the Bristol Green Capital Partnership, and Bristol-based business organisations,
- adopting green working practices and communication methods, including use of home working, video/teleconferencing, electronic documentation and e-communication tools (including e-mail, websites, social media and e-newsletters) wherever possible;
- where paper-based communication is unavoidable, using recycled / sustainable materials;
- where travel is unavoidable, promoting the use of public or green transport options to project staff and event participants; and
- wherever possible, using event venues which demonstrate a commitment to sustainability, including in relation to waste minimisation, recycling and energy consumption.

In terms of the enterprise support services, across all Partners there is a commitment to embed sustainability by providing content in both pre and post start up workshops on resource efficiency, waste reduction and resilience, and encouraging entrepreneurs and SMEs to adopt ethical, sustainable and long-term thinking, anticipating a future where resources are finite, and to pursue financial savings from carbon reductions. Furthermore, BCC is currently leading an initiative on the Going for Gold Award in Food Sustainability, which will be integrated into the Project’s support for food sector businesses.

1.8 Equality and Diversity Impact Assessment

A full Equality and Diversity Impact Assessment has been undertaken, appropriate to the Project’s objectives to engage and support entrepreneurs from disadvantaged areas of the City and under-represented groups in enterprise. This is provided in Annex 1.

2 Economic Case

2.1 Economic Appraisal

[Indicative 650 words]

The proposed outputs for the Project are restated below:

- Outputs:
- 145 individuals coached to be ‘enterprise ready’ (minimum 12 hours support)
 - 39 new private or social enterprises registered
 - 163 enterprises receiving information, diagnostic & brokerage support (min 3 hours)
 - 142 enterprises receiving advice and support (minimum 12 hours)
 - 53 enterprises receiving grant only support (with £133,500 SME match contribution)
 - 35 enterprises developing new to firm products
 - 17 enterprises developing new to market products

These outputs have been modelled on those set and being delivered to target under the three current ERDF co-funded projects in which the four core partners are involved – Enterprising West of England (YTKO and The Prince’s Trust); Social Enterprise & Innovation Programme (School for Social Entrepreneurs) and Network 4 Creative Enterprise (Knowle West Media Centre). In the context of a highly disadvantaged target area with a long term trend of low business start up rates, it is assumed that only one in four individuals receiving entrepreneurship coaching will achieve a start up registration within the duration of the Project. In terms of post start up support, it is assumed that at least one in three of the enterprises given extended advice and support will progress to undertake a growth / investment project with assistance from the Project.

The delivery cost per support output (measured as a full 12 hour ‘assist’) varies between the four partners according to the development stage (ie. ‘pre-pre’ start, start up and early / later-stage growth) and type of support (ie. generic advice, specialist sector-oriented and/or grant schemes) which each specialises in, and, in the case of the Prince’s Trust, the fact that regional office overheads are not being re-charged to the project. However, the average delivery cost per output, across all work streams pre and post start up, is £5,317. If the capital spend by Knowle West Media Centre on equipment for the Sensor R&D Lab, which is matched into the Project (£150,000), is taken into account, this rises to £5,976. The variation of costs per core partner is set out in the table below:

Delivery Partner	Type of Support	Total Cost	Total Outputs	Cost per
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		(revenue)	(P11 + C1 assists)	Output
YTKO	Post start up (mainly)	£ 328,110	63	£ 5,208
SSE	Pre & Post start up (mix)	£ 302,764	53	£ 5,713
The Prince's Trust	Pre start up (mainly)	£ 150,000	81	£ 1,852
KWMC	Pre & Post start up (mix)	£ 296,539	53	£ 5,595
BCC	Post start up / scale up	£ 448,646	37	£ 12,125
TOTAL			287	£ 5,317

*Note: BCC cost per output is higher because it includes general administrative and promotional overheads in its role as Lead and Accountable Body, as well as the Pre Scale Up contract budget.

No assumption is made that any of this Project's outputs are shared with the proposed South Bristol Light Industrial Project capital scheme, for which ERDF/WECA co-funding is also being sought. The economic impacts of the Project, based on achievement of the above outputs at minimum, are forecast as below:

- 97 full time equivalent jobs created or retained
- £ 11.946 million Gross Value Added
- £ 6.878 million Net Value Added

The job creation/ retention forecast follows the definitions in use by MHCLG for ERDF programmes and assumes that only fte jobs sustained in enterprises assisted for at least 12 months can be counted. On this basis the cost per job created/ retained is £15,733 based on the Project's total revenue costs (£17,681 including capital costs), and £4,975 based on the total grant requested from WECA.

The GVA estimates are based on the forecast of both enterprises supported (ERDF - C1/C4s) and registered start ups (ERDF - C5s) over the Project lifetime (total 287), and have used as an appropriate benchmark the average of £0.066 m GVA (gross) and £0.038 m GVA (net) per enterprise assisted and monitored for the South West Competitiveness & Employment ERDF programme 2007-13. The metrics are derived from the Programme's Annual Implementation Report June 2014, and with specific reference to the Urban Enterprise strand (axis 3) which most closely resembles the South Bristol Enterprise Support project in so far as it targeted support on entrepreneurs and businesses in disadvantaged areas of Bristol and groups under-represented in enterprise. Estimates include both increased and safeguarded GVA outcomes. Following consultation with WECA, whilst the benchmark used is 5 years old, it has not proved possible to identify a more recent evaluation of this type of support targeted on enterprise of disadvantaged areas and under-represented groups

The employment land served by the Project is broadly all industrial areas and small workspaces within the 12 wards of South Bristol. But, as detailed above, there will be a particular targeting of businesses located or starting in the South Bristol Regeneration Area, and the following centres and industrial areas: Filwood Green Business Park, The Bottle Yard Studios, The Park Opportunity Centre, Cater Business Park, Hartcliffe and Withywood Ventures, Hartcliffe Way, Novers Hill / Vale Lane Industrial Estates, Petherton Road, Hawkfield, Western Drive and South Bristol Business Parks.

Generating beneficial social and environmental impacts from both the start up and growth stands are a key objective for this Project, and all Partners have an established track record in supporting entrepreneurs from disadvantaged communities and under-represented social groups into enterprise in Bristol. At least 30 prospective social entrepreneurs plus around 10-15 existing social enterprises, and 65 young people will receive support. As regards growth support, the number of enterprises in sectors or activities directly delivering a positive environmental impact is hard to model, but, out of

142 post start up and later stage businesses, it is expected that at least one third (37) will fall into this category. Also 100% will receive coaching to minimise emissions and negative environmental impacts.

2.2 Value for Money Statement

<i>Total project cost</i>	<i>£ 1,715,060</i>
<i>Grant sought (EDF/LGF/RIF)</i>	<i>£ 482,530</i>
<i>Net Quantified Benefits</i>	<i>97 Jobs, £6.878 m GVA</i>
<i>Social Value</i>	<i>48 Jobs for South Bristol residents 50% of expenditure on project goods and services sourced from City of Bristol-based suppliers</i>
<i>VfM indicator*</i>	<i>£17,681 per job; £3.96 GVA per £ spent</i>

** Benefit compared to total cost including match funding*

Summary table of assumptions

<i>Criterion of assessment</i>	<i>Assumption</i>
<i>FTE Jobs</i>	<i>Jobs created or safeguarded for at least 12 months in all new or existing enterprises supported</i>
<i>Net GVA</i>	<i>Net GVA based on an average estimated output gain, after capital costs discounted, of £38,000 cumulative in each new or existing enterprise supported after 3 years (impact period).</i>
<i>Social Value</i>	<i>Jobs created or safeguarded, as above, for local South Bristol Regeneration Area residents Value of expenditure on Project goods and services procured by BCC and consortium partners from City of Bristol based suppliers.</i>

3 Financial Case

3.1 Chief Financial Officer sign off

See Annex 2 for a letter from the Finance Director of Bristol City Council.

3.2 Scheme Cost

Revenue Elements

Cost Heading	Total projected eligible expenditure	Amount to be claimed
<i>Internal staff including overheads</i>	£1,088,516	£344,182
<i>External consultants</i>	£ 180,300	£ 57,010
<i>Grants and bursaries</i>	£ 140,163	£ 44,319
<i>Marketing</i>	£ 58,531	£ 18,507
<i>Office supplies</i>	£ 23,750	£ 7,509
<i>Office rental</i>	£ 19,800	£ 6,250
<i>Professional fees (evaluation)</i>	£ 15,000	£ 4,753

Capital Elements

Cost Heading	Total projected eligible expenditure	Amount to be claimed
<i>Equipment</i>	£ 189,000	NIL

3.3 Spend Profile and Funding Sources

Capital Spend (£000s)

	19/20	20/21	21/22	22/23	Total
<i>SUD ERDF</i>	0.0	0.0	0.0	0.0	0.0
<i>WECA</i>	0.0	0.0	0.0	0.0	0.0
<i>Private</i>	20.0	145.6	15.6	7.8	189.0
<i>Total</i>	20.0	145.6	15.6	7.8	189.0

Revenue Spend (£000s)

	19/20	20/21	21/22	22/23	Total
<i>SUD ERDF</i>	45.538	335.342	272.382	204.269	857.531
<i>WECA</i>	22.411	166.090	167.318	126.711	482.530
<i>Private</i>	2.927	23.850	89.464	69.758	185.999
<i>Total</i>	70.876	525.282	529.164	400.738	1,526.060

Total Spend (£000s)

	19/20	20/21	21/22	22/23	Total
<i>SUD ERDF</i>	45.538	335.342	272.382	204.269	857.531
<i>WECA</i>	22.411	166.090	167.318	126.711	482.530
<i>Private</i>	22.927	169.450	105.064	77.558	374.999
<i>Total</i>	90.876	670.882	544.764	408.538	1,715.060

4 Commercial Case

4.1 Procurement

[Indicative 400 words]

Bristol City Council and all partners will abide by the EU Treaty Principles and follow the ESIF National Procurement Guidance for procuring goods and services, to ensure sound financial management of public funds and secure the benefits of competitive purchasing and commissioning.

For the purpose of the SUD ERDF full application a plan has been prepared detailing all goods and services to be procured and routes to be taken by BCC and each of the Partners in conformity with the above. No contracts are above the £181,000 value threshold for services requiring advertising in OJEU. However, open procedure tender processes will be used in line with the Treaty principles and BCC Procurement rules. Processes are designed to provide sufficient and specific information to potential bidders about the tender opportunity; manage any potential conflicts of interest; offer impartial assessment of each bid against identical criteria; and provide selection procedure that selects a winning bidder on merit. All processes, and associated documentation required have been reviewed by a BCC Procurement Advisor with knowledge of ESIF / ERDF procurement rules. This plan will be made available to WECA as required.

Documents to be retained by BCC will include electronic documents as appropriate to the specific purchasing and procurement process and held in our ProContract e-portal and management system as follows:

- specifications of goods or services required, including budget, timescale, special provisions, any special terms or conditions, and indicative buying process
- Quotations and proposals and tender responses
- Request for proposal or invitation to tender or similar advertising
- Log sheets of dates/times of tender receipts
- Selection criteria
- Questions from bidders
- Assessor declarations
- Scoring and assessment documentation

- Contract awards
- Notifications to unsuccessful bidders

Standard forms of commercial contract will be used by BCC (for consultancy services, including the Pre Scale Up Growth Coaching scheme, the marketing partner and evaluation services), and by Partners for similar consultancy and marketing spend , and, where applicable, equipment. These will be in line with their practices and audit advice from previous ERDF co-funded enterprise support projects . Preparation of procurements will commence as soon as funding agreements have been concluded with MHCLG and WECA and a Project start date has been set. Advertising and tender processes for the main sub-contractors required will commence from Jan/ Feb 2020 and continue for 2-3 months subsequently. Contracts will generally be let for between 2.5 and 3 years duration until the Project end date, with the exception of the evaluation and summative assessment contract which will be up to 12 months. BCC, as lead and accountable body, will also review the legal compliance of procurement processes to be undertaken by Partners and contract terms prior to letting.

4.2 Operation and Financial Viability

[Indicative 400 words]

BCC will appoint a Project Manager (1.0 fte) and part-time Support Officer (0.6 fte) to manage and coordinate the day-to-day operations of the Project, including finance and procurement, liaison with delivery partners and internal BCC Advisers and Senior Managers. There will be a Principal Accountant and Senior Accountant allocated from its Budget support team that enable the Growth and Regeneration Directorate and Economy of Place Division to undertake effective financial management and control, the processing of grant claims, data collection, reporting and auditing. Financial management will be overseen by the Growth and Regeneration Finance Business Partner, with day to day transactions and quarterly claims preparation and reporting undertaken by the Project Manager and Senior Accountant with support from the Accounting Support officer.

We will maintain full records related to both BCC and individual partner transactions and processes, in a secure on-line document management system commencing from the WECA and ERDF offer letters and budget confirmation, to include original invoices, purchase orders, payment advice, bank statements, contracts, payroll information, budget and progress reports, recruitment, correspondence and other legally required records. The originals are scanned in by the accounts payable team and we can view the scanned copies in our “Unit 4 Business World (ABW) system” used by Accounts Payable team. This enables a clear audit trail for all income and expenditure related to the project.

All new members of staff in both the lead and partner organisations working on EU funded projects, from project administrators to project directors, will have a comprehensive induction about ERDF rules and regulations on eligible expenditure, and procurement. This will cover internal timescales within the consortium each quarter for submitting expense claims and supplier invoices so that they can be checked, paid and evidenced prior to inclusion on a claim.

Quarterly claim submissions to WECA and MHCLG on behalf of the consortium will be prepared by the Project team collating financial and outputs information across the Partners using a common set of templates, and checking this in conjunction the Accounts team, including verification that payments for invoices and salaries have been made.

The Council has considerable experience from its role within the previous round of ERDF contracts. We have taken this recent experience and adapted our financial management and control processes

accordingly. These now include more active contacts by phone or email, and an in-person finance meeting between the Lead Accountable Body and Partners (including the BCC Senior Accountant).

In relation to quality assurance and underperformance, BCC as Lead Accountable Body will undertake checks to ensure compliance is maintained – firstly with regards to the progress of achieving outputs but also against the paperwork, spend and processes of the delivery partners and subsequent subcontractors. In preparing each claim to WECA and ERDF all outputs will be reviewed and paperwork checked against latest guidance.

BCC has also developed a partner handbook to issue to all delivery partners. The guide helps to support partners to ensure that all paperwork, processes, governance and delivery of service is compliant with all WECA and ERDF requirements. The handbook will be finalised and issued at the first Consortium Meeting alongside an induction to the topics.

4.3 Social Value Act

[Indicative 300 words]

BCC has adopted a range of measures in recent years and published a tool kit to ensure that its procurement policies and processes are compliant with the Social Value Act, giving due consideration in the selection of suppliers and award of contracts to the local social and economic impact of goods and services purchased. These will be followed for the procurement of services for this Project by BCC, and the Partners have been requested to adopt similar objectives for their procurements also. The joint commitment to securing local social and economic value has been reflected in the project's Procurement Plan, according to which BCC and all consortium partners will seek quotations from at least one locally based supplier and appraise the social value offered by bidders against the checklist provided in BCC's Social Value Procurement Tool Kit - eg. employment and training opportunities for South Bristol residents, use of local suppliers in their supply chains, joining and making payments in The Bristol Pound, support of local community, social and environmental projects.

To embed this approach, BCC will provide an induction to the consortium partners in its social value policy and toolkit at the start of the Project, in addition to making prospective bidders for the Pre Scale Up support, marketing and evaluation contracts that it will let aware of its requirement in this area.

In addition to the job creation numbers defined at 2.1, BCC and consortium partners will set an objective and indicative target for all the SMEs supported by the Project to take up the local recruitment and training support from the proposed Workforce for The Future Project (WECA/ESF-funded), which is set to run on a parallel timescale, and offer at least 50% of the jobs created in their businesses to local South Bristol residents.

5 Management Case

5.1 Promoter and Delivery Arrangements

[Indicative 300 words]

Bristol City Council will promote and manage the Project, acting as the Lead and Accountable Body for external grant funding from WECA and SUD ERDF. As detailed at 4.1 above, a dedicated Project Manager and Support Officer will be recruited and hosted by the Economic Regeneration Team in the Growth and Regeneration Directorate based at City Hall. A consortium of four core partners has been formed to deliver complementary work streams and outputs as outlined at 1.2 and 1.3 above, and will

be managed by BCC. They will each employ staff teams dedicated to delivery of the Project, and have provided full job descriptions and salary cost information. In addition a sub-contractor will be procured by BCC to deliver an additional pre scale up growth coaching package.

The four delivery partners will benefit from some area-wide and 'whole project' publicity and promotional services (branding, web site, social media and events), but each partner will additionally undertake its own marketing and engagement activities related to its specific target groups or sectors in the residential and business communities, and hire consultancy and support services as necessary. Thus all partners, in addition to BCC, will undertake procurement of goods and services, and, where applicable (KWMC only) own assets to be used in the Project.

5.2 Project Governance and Delivery

[Indicative 400 words]

The Project will follow an established methodology placing the delivery partners and beneficiaries at the heart of the governance. In order to maintain interactivity, two levels of project management will be utilised:

- **Project Consortium:** This strategic group would consist of the Core Delivery Partners and Lead Accountable Body – Bristol City Council, YTKO, Princes Trust, Knowle West Media Centre and the School for Social Entrepreneurs. At a later date the Consortium would add representation from the beneficiary SMEs across all the service options.
The Consortium Group will be responsible for managing the project, maintaining KPIs, assessing and owning risks, approval of project reports, strategic policy engagement and supporting the evaluation process. The Steering Group would meet quarterly and be hosted at each of the members alternatively.
- **Delivery Partners:** This operationally focused group would have monthly meetings with the Lead Accountable Body to discuss progress and respond to issues. All relevant subcontractors would also be invited to the meetings. The Delivery Partners will take responsibility for day to day activity such as demand generation, support delivery, communications delivery, updating risk etc. Issues and risks which are raised by the Partners will be escalated to the Consortium Group if they are not deemed time critical.

Reporting: The Project Consortium will review the project progress with updates from each partner – any relevant delivery contractors will provide updates prior to the Consortium meeting. The Project Consortium will also review the combined claim documentation to monitor output progress, marketing activity, risks and pipeline generation. They will also disseminate best practice and changes to guidance as applicable.

Wider Partnership: This broader stakeholder group currently accounts for local outreach partners, larger employers and promotion partners. Throughout the programme we would build this group further through newsletters, joint events and workshops with local partners. The intention is to create a wider pool of support and networks to ensure a lasting legacy for the project.

Annex 3 provides a set of organograms setting out the project teams / roles of each delivery partner. The previous experience of enterprise support programme delivery of BCC and Partners is summarised below:

Bristol City Council:	Lead & Accountable Body for Filwood Green Business Park - ERDF (2011-15) Delivery Partner in Enterprising West of England – ERDF (2017-19)
YTKO Ltd:	Lead & Accountable Body and delivery of Outset Bristol – ERDF (2010-15) Delivery Partner in Enterprising West of England – ERDF (2017-19)

School for Social

Entrepreneurs: Lead & Accountable Body for SSE Bristol & West of England (2012-15)
Delivery Partner in Social Enterprise & Innovation Programme – ERDF (2017-19)

The Prince’s Trust: Lead & Accountable Body and delivery of Inspiring Young Entrepreneurs – ERDF (2013-15)
Delivery Partner in Enterprising West of England – ERDF (2017-19)

Knowle West Delivery Partner

Media Centre: Lead & Accountable Body and delivery of Do What You Love – ERDF (2011-15)
Delivery Partner in Network 4 Creative Enterprise – ERDF (2017-19)

5.3 Programme Plan

Milestone completion dates	Baseline
Conclude funding agreements with WECA / ERDF and funding / service level agreements with Partners	Jan 2020
Recruit or assign skeleton delivery staff to BCC and Partner teams	Jan 2020
Commence procurement of BCC & Partner services and resources, including marketing and promotion	Feb 2020
Recruitment and induction of full delivery teams	Feb 2020
Commence procurement of BCC Pre Scale Up contractor	March 2020
Create / complete marketing strategy and confirm Year 1 plan	March 2020
1 st Consortium meeting	March 2020
Launch events, web site and other publicity	April 2020
1 st quarterly claim, progress and output data reports prepared	April 2020
Conclude contract and commence Pre Scale Up scheme	June 2020
Prepare evaluation summative assessment brief	Dec 2021
Conclude contract and commence evaluation	March 2022
Publish evaluation / summative assessment	Nov 2022
Prepare final reports and claims	Dec 2022

5.4 Risks, Constraints and Dependencies

The Project will monitor risk at both Delivery Partner and Project Consortium levels.

The initial risk register (see below) will be updated and reviewed at the first Consortium Meeting and risks allocated ownership to individual members. Additional risks will be added at each Consortium Meeting with mitigation and scoring agreed by consensus.

At an operational level risks will be addressed in monthly meetings and any which are deemed high risk will be notified to the Consortium Chair to see if the risk requires an exceptional notification across the Consortium members for approval of mitigation steps. If a risk is low or medium rating then it will be put on the agenda for the next Consortium meeting.

The risk register currently assesses risk against:

- Impact - the disruption which would be caused to the project progress should the risk not be addressed. This is scored out of 10.
- Probability - the likelihood that the risk would happen should the mitigating action not be taken. Again this is scored out of 10.

- Score - the score from the Impact x Probability out of 100.
- Ratings - a low scoring risk 0 - 25, medium risk 26 - 66 and high risk 67 - 100.

Risk	Impact	Probability	Score	Mitigation
ERDF funding reduced	7	2	14 - low	Project Consortium requested feedback on the value for money case given the removal of the workspace element. MHCLG fed back that the value for money case is well aligned to the proposed outputs so we wouldn't expect any reduction in funding.
ERDF funding unsuccessful at full application	10	5	50 - med	Although the SUD Advisory Committee provided confirmation that a full application could proceed there were no indications of how a support only project would be viewed. As such there has been limited resource investment from the Project Consortium until the project is approved.
Project start-up is delayed	4	8	32 - med	All previous ERDF projects have been delayed in approval and contracting processes – in fact an anticipated delay was the main reason MHCLG suggested the capital element could not proceed. Outputs and financial projections have been amended to anticipate this delay.
Partners fail to meet output profile	7	3	21 - low	The project management and governance is in place to address any output slippage and react quickly to manage underperformance via the quarterly consortium-level and 1to1 meetings with partners. Important lessons learnt from previous projects to tackle underperformance with urgent actions across partners' work streams.
Issues with match funding	10	3	30 - med	Bristol City Council has received indicative approval to utilise its budget, however, the project still requires approval from Council Cabinet which will be undertaken as the highest priority should the full application be successful. All other delivery partner match is in place and secured.
Issues with grants	5	3	15 - med	In past ERDF programmes SME grants have proved difficult in terms of generating demand, meeting too much demand, and providing clear messaging for customers. Although there are several SME grants available they don't overlap and referrals based on a

				diagnostic of the SME will help ensure that the best grants are available to the most appropriate enterprises.
Issues with demand generation	5	7	35 - med	In previous ERDF projects generating demand from entrepreneurs and businesses has, at times, proved difficult. A key strength of the consortium is that it already has established networks, demand generation pathways, and brand presence in the region and therefore partners have confidence they can generate the demand from individuals and customers across the South Bristol area. Should any shortfall be experienced then the Consortium would address this together and boost referrals, re-profile marketing spend and
Issues with pre scale up subcontract	3	5	15 - low	The subcontract for pre scale-up support will be tendered shortly after the project goes live. However, there is a risk that demand for the contract could be relatively low. As such BCC conducted a PIN notice exercise to assess the market and ensure that there was sufficient demand for the contract.
Failure to meet timescales	8	2	16 - low	Again the contract management and governance processes will ensure that the project remains on target and timescales are met. Claims, reporting and outputs will all be managed with regular checkpoints on a monthly (via the Partner Meetings) and quarterly basis (via the Consortium Meetings).
Failure to recognise risks and take appropriate actions	3	1	3 - low	The risk register will form a central part of the project governance and will be regularly updated and assessed. As explained above there is sufficient project infrastructure to be reactive in addressing risks.
Workspace delayed or cancelled	2	5	10 - low	Construction of the original workspace (contained in the outline application) is now separate to this full application and therefore the impact on this project is relatively low.

5.5 Land Acquisition, Planning and Other Consents

Not applicable – no land acquisitions, planning or other consents are required.

5.6 Service Diversions

Not applicable

5.7 Engagement and Consultation

[Indicative 300 words]

Both before and after the issue of the South Bristol SUD ERDF Call in October 2018, Bristol City Council's Economic Development Team undertook informal consultations with the main enterprise support agencies delivering ERDF enterprise start up and growth projects under the current West of England ESIF Programme around the idea of developing a consortium to deliver a comprehensive 'whole life cycle' enterprise support programme targeted on the needs of the South Bristol SUD regeneration area, encompassing both private and social enterprise models and multiple industrial sectors, and integrating the provision of more workspace for growing businesses. These involved members of the existing partnerships / consortia delivering the Enterprising West of England and Social Enterprise and Innovation Programme led by Business West and the University of Bath respectively. Meetings and tele-calls between prospective consortium partners, led by BCC ED, were held between 26th Oct and late Nov 2018, culminating in submission of the outline SUD ERDF application for the South Bristol Enterprise Support & Workspace project on 23rd Nov 2018. This contained an outline procurement strategy and schedule of procurements proposed by BCC and each of the four prospective partners named in the application (YTKO Ltd, Dartington Hall Trust / SSE, Prince's Trust and Knowle West Media Centre).

In addition, earlier in 2018, Bristol City Council was in the process of setting up the South Bristol SUD Intermediate Body, and had raised wider awareness amongst regional business and sectoral organisations of the South Bristol SUD Strategy and the opportunity to bid to ERDF Axis 3 for a major new enterprise start up and growth programme via presentations to the West of England ESIF Committee and, in July / Aug 2018, to the first meetings of the South Bristol SUD Advisory Committee, which included representatives of the Federation of Small Businesses, the local South Bristol Business Group, and the Bristol Voluntary and Community Sector.

After submission of the outline SUD ERDF bid, further publicity and consultations on the proposed project were undertaken via a South Bristol Business Networking Event held at Filwood Green Business Park on 29th January 2019, addressed by the Mayor of Bristol, and attended by around 30 local businesses and agencies.

5.8 Project Assurance

[Indicative 200 words]

The mechanisms for assurance of the Project, including its key objective to deliver the required enterprise start up and support outputs for the target area under the South Bristol SUD strategy and in accordance with the LEP's regional economic and local industrial strategies, have been discussed in outline between MHCLG, WECA and BCC, and will be reflected in the ERDF and WECA funding agreements, as and when drawn up. These commitments to deliver and assure the outputs and wider local economic impacts are also formally set out in a Memorandum of Understanding signed between BCC and the Consortium Partners. It is expected that the ESIF SUD Advisory Sub-committee, and West

of England ESIF Committee on which WECA is represented, will also take on a primary role to monitor and undertake assurance of this Project, alongside MHCLG and WECA.

5.9 Monitoring and Evaluation

Scheme: South Bristol Enterprise Support

1. Scheme background and context

The South Bristol Enterprise Support project is a £1.715 m (total cost) enterprise start up and growth advice and support service, including grant schemes, for both new entrepreneurs and early to later development stage SMEs located across the wider South Bristol area, but targeting in particular residents and businesses within the South Bristol Regeneration Area (Filwood, Hartcliffe and Withywood, Hengrove and Whitchurch Park, and parts of Knowle, Bedminster, Windmill Hill, Bishopsworth and Stockwood wards), over a 3 year period from Jan 2019 to Dec 2022. The Project will offer support for new and existing social enterprises as well as conventional private enterprises in a range of established and emerging sectors in South Bristol, including construction and engineering, creative and digital media, food and green tech and services. It will also target entrepreneurship and start up coaching on social groups under-represented in enterprise, especially young people, women, BAME and people with disabilities. The wider delivery context is the regeneration of Hengrove Park, and other sites in Filwood, Hartcliffe and Bedminster for over 2,000 new housing units and mixed uses, and the re-development of The Bottle Yard Film Studios to provide additional film production space and new light industrial workspace for growing businesses in a range of sectors. The Project will extend and improve on support provided by soon-to-complete ERDF schemes aimed at start up and early stage in the area, such as Enterprising West of England, Social Enterprise & Innovation Programme, and Network 4 Creative Enterprise, as well as collaborating and referring clients, as appropriate, to on-going SME growth support schemes such as Scale Up Coaching Grants (Business West) and Innovation 4 Growth (UWE), Creative Scale Up (WECA) and Green Business Grants (WECA).

Below is a summary of key milestones for governance, monitoring and evaluation activities including baseline and actual completion dates:

Milestones	Baseline completion date (month/year)	Actual completion date (month/year)
Assignment of skeleton delivery team	Jan 2020	Feb 2020
Agree and sign SLAs with partners	Jan 2020	Feb 2020
Procurement of partner services and resources – see procurement plans attached	Feb 2020	For the lifetime of the contract
Recruitment and induction of full delivery team	Feb 2020	Mar 2020
Draft procurement documents for Scale-up support service	Mar 2020	Apr 2020
Guidance, equality and diversity, sustainability training	Mar 2020	Apr 2020
Tender and procurement of Scale-up support service	Apr 2020	Jun 2020
Planning and launch activities	Apr 2020	May 2020
Create marketing strategy and	Jan 2020	Mar 2020

confirm year one of the project delivery plan		
Demand generation in partnership with engagement networks and partners	Feb 2020	For the lifetime of the contract
Community outreach/engagement	Feb 2020	For the lifetime of the contract
Partner and contract meetings	Monthly from January 2020	For the lifetime of the contract
1:1 coaching and workshops – start-up and growth including diagnostics and in-depth support	Apr 2020	For the lifetime of the contract
Financial claims and data returns to MHCLG	Quarterly from March 2020	For the lifetime of the contract
Narrative progress report	Quarterly from March 2020	For the lifetime of the contract
Baseline and output data input and analysis	Quarterly from March 2020	For the lifetime of the contract
Consortium meeting	Quarterly from March 2020	For the lifetime of the contract
Write summative assessment brief	Oct 2021	Dec 2021
Tender for and procure evaluator	Jan 2022	Mar 2022
Initial meeting with evaluator	Apr 2022	Apr 2022
Carry out evaluation	May 2022	Sept 2022
Publish summative assessment	Oct 2022	Nov 2022
Complete delivery activities	Nov 2022	Dec 2022
Final report and claim	Dec 2022	Dec 2022
Post project impact monitoring	Jan 2023	Dec 2024

2. Logic Model

- Complete a logic model to reflect the project scope i.e. all the activities covered by the investment. Ensure also that there is a clear progression between the steps in your logic model
- State assumptions between the investment and the predicted outcomes and impacts
- For outcomes relating to direct jobs creation, please provide an annual profile of jobs created and clearly state the time period over which net additional jobs and GVA will be created
- Please define the impact area of the intervention ie West of England or other geographical scale

Context and Rationale

Provide a brief description of the strategic and policy context (link to local and national strategy policy). Briefly describe the market failure rationale for the intervention.

The Project has a strong alignment with the West of England Strategic Economic Plan (2015-30) which affirmed the priorities of improving the infrastructure and connectivity of South Bristol to attract investment and support local growth, and of closing the gap between disadvantaged and other communities in the West of England. It will contribute towards the goals of new job creation alongside new homes in South Bristol. The overall impact area, in terms of the SMEs supported by the Project, will be the wider South Bristol area (all 12 City of Bristol wards south of the Avon), but with a particular focus, in terms of community and prospective entrepreneur engagement, on the South Bristol Regeneration Area, as defined in the South Bristol Sustainable Urban Development Strategy.

In its targeting of SMEs in emerging as well as longer established industrial sectors for growth support, including creative, digital, green tech, and food, the Project aligns with the 'smart specialisation' sectoral approach of the SEP and at least four key objectives of the West of England Local Industrial Strategy published in July 2019 - Inclusive Growth, Productivity, Cross-Sectoral Innovation and Clean Growth. For example, a distinctive contribution to Cross-Sectoral Innovation is that the Project will offer access and free technical support for local businesses undertaking product development at the new Sensor R&D Lab and ultra fast fibre network being provided at Knowle West Media Centre's 'The Factory' facility with LGF funding from the Open Programmable City Region project. Increasing productivity by providing management and organisational coaching, alongside grants and loans for capital investment will be a key objective of the growth support delivered by Partners and sub-contractors for both early and later stage SMEs.

To target the gap between disadvantaged and other communities in South Bristol the project will work with established community anchor organisations to reach aspiring entrepreneurs from these communities and help them set up viable businesses. Through SSE the project will also work with established community and voluntary organisations and social enterprises to build their resilience and help them grow their trading potential while maintaining their social impact. It will make use of its proven 'match trading grant' tool to support the growth and trade of these organisations.

With reference to City of Bristol strategies, the Project will encourage and enable new and existing South Bristol businesses in the construction, engineering and environmental sectors to focus on product and service innovation linked to the One City Plan priorities around house-building, new workspace and

industrial estate improvement, sustainable transport, low carbon energy, zero waste and circular economy. In its focus on supporting new entrepreneurs from disadvantaged communities and under-represented groups, it will provide an important area-based initiative for the Inclusive and Sustainable Economic Growth Plan (under the OCP).

Objectives	Resources/ Input	Activities	Outputs	Direct & Indirect Outcomes	Impact
<p>The aims/ objectives of the scheme are: (Ensure that <u>all aims/objectives are SMART</u>)</p>	<p>In order to achieve the set of activities to fulfil these aims/ objectives we need the following: (Resources should not be limited to money e.g. grant, match funding, in-kind, project team, specialist support, etc. The inputs define the scope of the project being considered in the logic model)</p>	<p>In order to address the aims and objectives we will accomplish the following activities: (What will the money be used for? e.g. construction, project management, equipment/fit out, etc):</p>	<p>We expect that, once accomplished these activities will produce the following deliverables: (Provide measurable outputs e.g. length of new road/cycle path, m² of space constructed/refurbished, number of businesses supported, learners engaged, etc)</p>	<p>We expect that if accomplished these outputs will lead to the following <u>change</u> e.g. new products or services, skills, behaviour, new business/contracts, etc: (Ensure that <u>all outcomes are SMART and relevant to the aims/objectives to allow for attribution</u>; distinguish between direct and indirect outcomes)</p>	<p>We expect that if accomplished these activities will lead to the following changes in service, organisation or community: (quantitative economic impacts e.g. indirect jobs and/or GVA to be <u>cross-referenced</u> with FBC as appropriate)</p>
<ul style="list-style-type: none"> • Project management – effective project management of the project, stakeholders and relevant governance processes. Effective management processes to ensure that outputs are achieved, timescales met, risks and issues are assessed and processed etc. 	<ul style="list-style-type: none"> • Project management staff resource • Stakeholder engagement • Compliant quarterly processes from partners and BCC. 	<ul style="list-style-type: none"> • Quarterly steering committees • Monthly partner meetings • Report compilation • Financial management meetings • Risk and issue assessment and management 	<ul style="list-style-type: none"> • Quarterly output reports, risk registers, testimonials etc. • Quarterly financial reports 	<ul style="list-style-type: none"> • Effectively managed project, meeting outputs, financial milestones and timescales. 	<ul style="list-style-type: none"> • Effective project management contributes to the below impacts.

<ul style="list-style-type: none"> • Marketing and communications – activities to promote the support services on offer in the South Bristol area, generating demand across the partnership, disseminating the benefits of the service, case studies, success stories etc. 	<ul style="list-style-type: none"> • Marketing budget and relevant staff resource • Support from community partnerships to maximise impact within disenfranchised beneficiaries. • Marketing collateral – banner stands, stand space at events, website etc. 	<ul style="list-style-type: none"> • Organise promotional events in the SBRA including – trade shows, community outreach workshops, trade fairs etc. • Draft press releases, features and newsletters. • Branding – guidelines, materials and collateral including business cards, banner stands, leaflets etc. • Social media across major platforms 	<ul style="list-style-type: none"> • Approx. 50 events to raise awareness of the project and engage relevant support networks across the region and delivery partners • 12 pieces of coverage in relevant news outlets based on case studies of SMEs and entrepreneurs • Cohesive brand across delivery partners and in line with ERDF guidelines. • 2,000 new followers across all partners raising awareness of project. 	<ul style="list-style-type: none"> • Demand generation of approximately 145 individual entrepreneurs and 163 SME businesses. • Wider awareness of critical investment in the SBRA. • Awareness of successful case studies of entrepreneurs and businesses. 	<ul style="list-style-type: none"> • Communications help to ensure that funded business and enterprise support communities which face barriers to accessing funded support. • Beneficiaries are engaged in the programme to meet below impacts.
<ul style="list-style-type: none"> • Entrepreneur support – tailored support service to meet different strategic needs of pre start up entrepreneurs in the SBRA and wider South Bristol area. 	<ul style="list-style-type: none"> • Tailored support programmes for: <ul style="list-style-type: none"> - Pre-pre start entrepreneurs - Established entrepreneurs (private sector, social enterprise and youth) • Grant schemes for pre-pre start and social enterprise candidates • Workshops, 1-2-1 coaching, blended online support etc. 	<ul style="list-style-type: none"> • Workshops, action learning groups and 1-2-1 support sessions to coach the potential entrepreneurs in: • Marketing to test their business idea in the marketplace • Strategy to help develop their business idea and ensure it is long-term and sustainable • Financial management processes to build 	<ul style="list-style-type: none"> • 145 x 12 hour sessions of support for: <ul style="list-style-type: none"> - 30 x pre-pre start entrepreneurs - 20 x private sector entrepreneurs - 30 x social enterprise entrepreneurs - 65 x young entrepreneurs • 20 x grants to support start-up costs for businesses defined as pre-pre start 	<ul style="list-style-type: none"> • 39 new employment opportunities created • 39 new businesses created • Further local employment opportunities • Investment in local premises • Investment in local supply chain 	<ul style="list-style-type: none"> •

		robust checks and balances, maintain good cashflow and increase profits.	<ul style="list-style-type: none"> • 12 x grants to support social enterprise entrepreneurs start up their business 		
<ul style="list-style-type: none"> • SME business support – tailored support to service needs of SME businesses in the SBRA and wider South Bristol area producing increased economic activity and growth 	<ul style="list-style-type: none"> • Tailored support programmes for: <ul style="list-style-type: none"> - Private enterprises - Social enterprises - Youth enterprises - Sectorial focus around construction, digital, low carbon, advance manufacturing etc. • Grant schemes based on growth aspirations to facilitate investment • Workshops, 1-2-1 coaching, blended online support etc. 	<ul style="list-style-type: none"> • 1-2-1 coaching, action learning groups and workshops, tailored to specific sector or industry, to: <ul style="list-style-type: none"> • Improve effectiveness of marketing – increasing turnover, embedding new digital systems and boosting productivity • Improve effectiveness of strategy – boosting efficiency of production through improved processes and management. • Improved financial management processes – saving time, costs and resources 	<ul style="list-style-type: none"> • 163 x 3 hour diagnostics and brokerage sessions • 142 x 12 hour sessions of support for: <ul style="list-style-type: none"> - 37 x scale up coaching grants - 66 x private sector SMEs - 23 x social enterprise SMEs - 16 x young enterprise SMEs • 6 x match trading grants to support growth costs of Social Enterprise SMEs • £78k of SME investment from private sector SMEs • 17 x new to market products or services • 35 x new to firm products or services 	<ul style="list-style-type: none"> • 97 new employment opportunities created • £133,500 of private sector investment • Increased investment in local premises • Increased investment in local supply chain 	<ul style="list-style-type: none"> •

Direct Job Creation and GVA					
	End Year 1 (Dec 2020)	End Year 2 (Dec 2021)	End Year 3 (Dec 2022)	After Project Close (Dec 2024)	TOTAL
Job Creation (net additional FTE)	15	32	50		97
GVA (net additional)	£0.344	£1.032	£2.063 m	£3.439 m	£6.878 m

3. Evaluation design and methodologies

- Describe your key evaluation questions e.g what do you want to find out?
 - Referring back to the outcomes and impacts stated in the logic model (section 2), describe your evaluation methodology (ie. process, outcome or impact, or a combination).
 - Identify your audiences and evaluation stakeholders, and what their evaluation needs may be.
 - Are the scheme beneficiaries easily identifiable and accessible?
- (indicative 300 words)

- Evaluation objectives:
 - i) to monitor and ensure constant improvement of workshop and coaching delivery;
 - ii) to assess if strategic objectives have been effectively, including reaching the most disenfranchised potential entrepreneurs in the South Bristol Regeneration Area, and SMEs across the South Bristol area and target sectors, and maximising impact in terms increased turnover, business creation, business survival, increased profit margin, and generating local employment opportunities in the SBRA, improving leadership capacity and accessing additional financial investment for growth;
 - iii) to make recommendations for a Phase 2 project over 3 years, including assessment of the potential for more established, growing SMEs to make higher co-financing contributions to coaching and grant scheme support.

- Evaluation methodology:

- Workshop sessions – feedback and evaluation sheets, where participants rate the intervention against agreed learning outcomes; facilitated group reflection sessions, regular check-ins.
- Beneficiary impact – Qualitative interviews and quantitative surveys of new entrepreneurs and SMEs (at post start up and later development stages). Both categories will be readily identifiable to each delivery partner, and communications maintained by each partner and the Project after support has been delivered, 1 to1 and via networking events.
- Baseline data – Equality and diversity data, business data (turnover, employees, profit margin, history of business etc) captured at start of intervention.
- Impact data (as above) – collected after 12-hour intervention and again 12 months after.
- Careful monitoring and questioning to understand the “additionality expectations” in other words to robustly establish what would have happened without the intervention.

- Evaluation stakeholders:

- Funders – EU / MHCLG; WECA; Charitable sector; SME beneficiary match funders
 - Bristol City Council – in its role as the South Bristol SUD Intermediate Body
 - SMEs and individual client beneficiaries
 - Local and regional business organisations – WECA Growth Hub, South Bristol Business Group, FSB, Business West, Sector Groups, Cater Business Park Traders Association
 - Local and Regional VCSE sector support organisations – VOSCUR, Quartet Community Foundation
 - Local Community Partnerships and Projects – Thriving South Bristol, Hartcliffe & Withywood CP, The Gatehouse / HWV, The Park Centre, Greater Bedminster CP, Knowle West Community in Partnership
 - Business Schools / Universities with Entrepreneurship and Growth programmes
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4. Data requirements

4.1 For schemes fully or part-funded via the Local Growth Fund only

- *Relevant performance indicators will be provided for each scheme when a draft logic model is shared at, or prior to, submission of a Full Business Case for approval.*

It is assumed that the Project will be funded from the WECA Investment Fund rather than the Local Growth Fund. The following data will be captured for individual and business beneficiaries, as is also required for ERDF monitoring, summative assessment and evaluation:

- Name
- Address
- Email
- Telephone
- UTR
- Companies House info
- Equality and diversity data sets
- Business turnover
- Business profit margin
- Business employee number
- Trading history
- Planned investment in growth prior to intervention – in terms of financial investment, job creation, strategic changes etc.

4.2 Data collection methods

- *Provide an overview of the data collection approaches including timing and frequency of data collection.*
- *Describe links with other monitoring activities where relevant.*
- *Where appropriate, provide maps showing the spatial coverage of the data collection.*

(indicative 250 words)

- All data is baselined as part of the enrolment process with the entrepreneur or SME
- Evaluation of workshops and coaching session is undertaken after each session and amendments made on a quarterly basis
- Data is captured from the SME or entrepreneur as part of the output submission e.g. employment opportunities are declared against any newly created employment opportunities.
- Additionality is declared by the SME or entrepreneurs as part of the de minimis state aid check and when undertaking any claimed additional investment.
- All data is captured again from the entrepreneur and SME beneficiaries at the end of the engagement and 12 months post – up to the project closure in Dec 2022.
- BCC will collect further post project data to inform economic impact calculation (ie. job creation, turnover growth, new products/ services development) by survey of SME beneficiaries by survey in Dec 2023 and Dec 2024, in conjunction with partners.

4.3 Data collection and establishing the baseline

- Refer to the scheme logic model to help structure the baseline data collection and reporting activities.

Metric (inc. Target)	Unit	Frequency	Data source (& Responsibility)	Baseline date	Reporting to?
Inputs					
Project Management quarterly report	n/a	Quarterly	Steering Committee membership	Quarterly from Jan 2020	ERDF and WECA funding groups
Marketing workshops, events, feedback from community partners etc.	Attendee numbers, referrals etc.	Quarterly	Evaluation from events, marketing report and conversion statistics	Quarterly from Jan 2020	ERDF and WECA funding groups
Entrepreneurship Support <ul style="list-style-type: none"> • 145 x 12 hour sessions of support for: <ul style="list-style-type: none"> - 30 x pre-pre start entrepreneurs - 20 x private sector entrepreneurs - 30 x social enterprise entrepreneurs - 65 x young entrepreneurs • 20 x grants to support start-up costs for businesses defined as pre-pre start • 12 x grants to support social enterprise entrepreneurs start up their bus 	Completion of 12 hour support programmes	Quarterly	Signed declarations from clients across: <ul style="list-style-type: none"> • Registration forms to check eligibility and record beneficiary data • De minimis form to check state aid eligibility • Completion of support • Individual session evaluation 	Quarterly from Jan 2020	Project management and Steering Committee
Established enterprise support <ul style="list-style-type: none"> • 163 x 3 hour diagnostics and brokerage sessions • 142 x 12 hour sessions of support for: <ul style="list-style-type: none"> - 37 x scale up coaching grants - 66 x private sector SMEs - 23 x social enterprise SMEs - 16 x young enterprise SMEs • 6 x match trading grants to support growth costs of Social Enterprise SMEs • £78k of SME investment from private sector SMEs • 17 x new to market products or services • 35 x new to firm products or services 	Completion of 3 and 12 hour support programmes £'s of grant and SMEC	Quarterly	Signed declarations from clients across: <ul style="list-style-type: none"> • Registration forms to check eligibility and record beneficiary data • De minimis form to check state aid eligibility • Completion of support • Individual session evaluation • Finance docs, invoices, defrayal evidence to demonstrate additional SME investment and grant brokerage. 	Quarterly from Jan 2020	Project management and Steering Committee
		30			

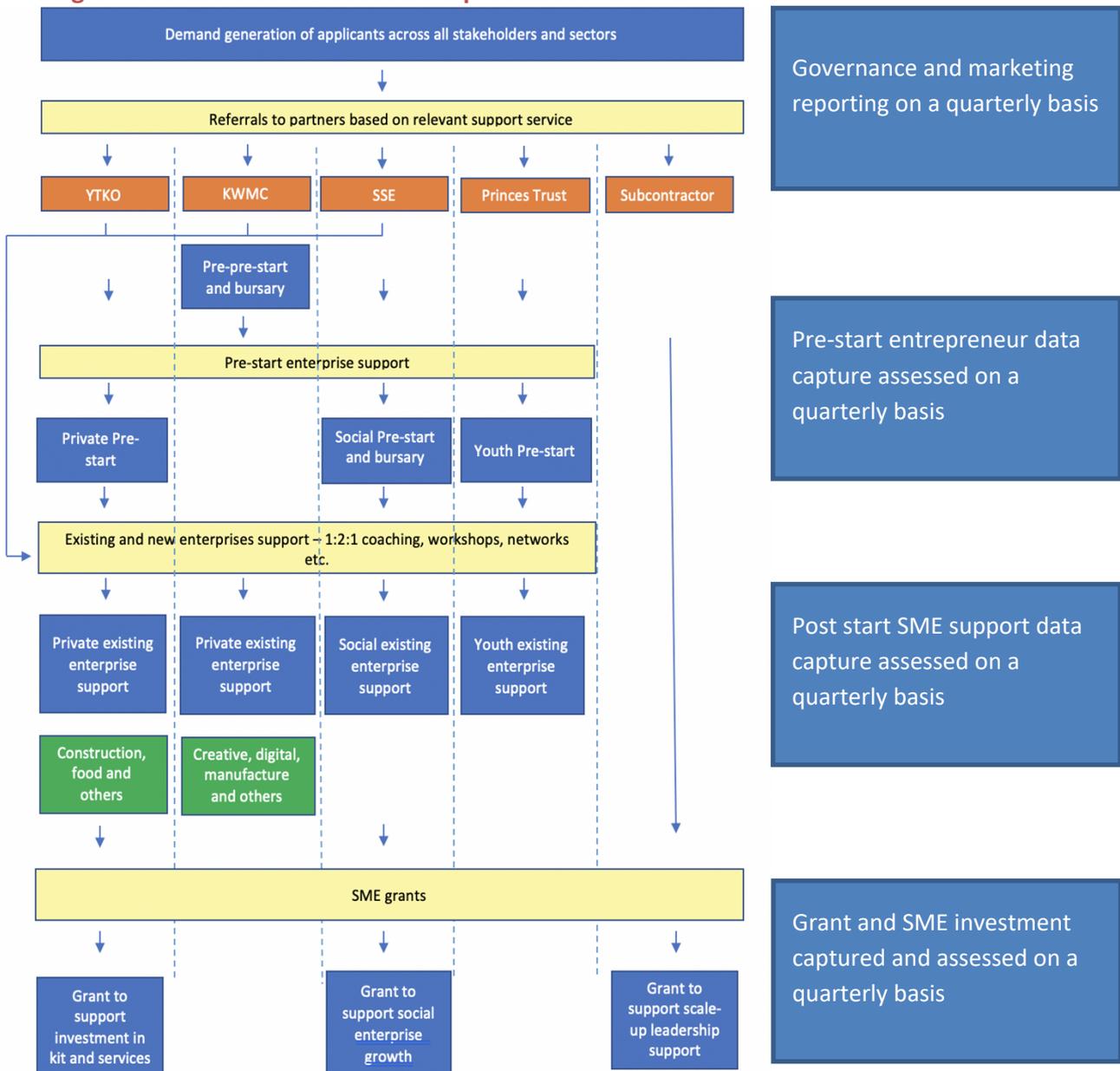
Outputs					
<i>e.g. New build – 6774m²</i>	<i>m²</i>	<i>Annual</i>	<i>Detailed design plans – Main building contractor</i>	<i>June 2016</i>	<i>Project governance, Yr1 evaluation report</i>
1. Individuals coached to be 'enterprise ready' (minimum 12 hours support)	Individuals	Quarterly	Delivery Partners quarterly grant claims and consultancy/support contractor reports, including support evidence forms signed by individuals /SMEs	Jan 2020	Project Manager and Consortium Steering Group - quarterly
2. New private or social enterprises registered	SMEs	Quarterly			
3. Enterprises receiving information, diagnostic & brokerage support (min 3 hours)	SMEs	Quarterly			
4. Enterprises receiving advice and support (minimum 12 hours)	SMEs	Quarterly			
5. Enterprises receiving grant only support (with £133,500 SME match contribution)	SMEs	Quarterly			
6. Enterprises developing new to firm products	SMEs	Quarterly			
7. Enterprises developing new to market products	SMEs	Quarterly			

Outcomes and impacts					
<i>e.g. Jobs connected to the intervention – 185 net additional jobs by 2020 (post-delivery), 1,160 net additional indirect jobs by 2025</i>	<i># FTEs</i>	<i>Annual</i>	<i>Direct FTE numbers. Estimates of indirect jobs created using economic impact toolkit – Project Manager</i>	<i>June 2016</i>	<i>Highlight report; Yr1 and Yr3 evaluation report</i>
Jobs Created or Safeguarded	FTE	Annual	Direct FTE numbers Source: SME beneficiaries via quarterly monitoring, summative assessment and final evaluation report – Project Manager and Evaluation Contractor. Post Project annual monitoring by BCC.	Jan 2020	Highlight report – Yrs 1 and 2; Evaluation report - Yr 3. Post Project monitoring – Yrs 4 and 5
Net Additional GVA	£,000	Annual	Source: SME beneficiaries via annual monitoring, summative assessment and final evaluation report – Project Manager and Evaluation Contractor . Post Project annual monitoring by BCC.	Jan 2020	Highlight report – Yr 2; Evaluation report – Yr 3 Post Project monitoring – Yrs 4 and 5

5. Delivery plan

- Provide a project plan and timeframe for data collection and reporting of monitoring and evaluation findings (ie. when key activities will take place, including baseline work, interim and final findings). (indicative 250 words)

The diagram and table below set out the processes and timeframe for data collection



M&E Activity	Start date	Frequency	Completion date
Baseline data collation – by consortium partners for each delivery package	Jan 2020	Monthly	April 2020
Outputs monitoring – by consortium partners for each delivery package	April 2020	Quarterly	Dec 2022
Impacts monitoring – Jobs/GVA – by consortium partners and third party evaluator	Jobs - April 2020	Quarterly	Dec 2022 (in project)
	GVA – Dec 2020	Yearly	Dec 2023 (post project)
Project governance – consortium meetings	Jan 2020	Quarterly	Dec 2022
Evaluation/ Summative Assessment	March 2022	On-going – Interim report Sept 2022	Final report – Dec 2022
Post Project Monitoring	Jan 2023	Annually	Dec 2024

6. Resourcing and Governance

- Provide details of the monitoring and evaluation budget, including details of source and what costs/activities this will pay for.
- Clarify procedures for risk management and any quality checking.
- Describe opportunities for different stakeholders to input into the scheme evaluation process.
- Provide a named contact responsible for delivering the plan, including name, address, telephone and email. (indicative 250 words)

The monitoring and evaluation activities will be the responsibilities of Bristol City Council however data collection will be disseminated to the delivery partners. The project manager (to be appointed once the project is approved for funding) will hold responsibilities for report collation, quality assurance and managing the summative assessment procurement and delivery. A total project management budget of £218,064 has been allocated to these activities, including £15,000 to procure a third party evaluator. Prior to the appointment of the Project Manager the lead on the programme is: Robin McDowell, City Hall, Bristol, BS1 5TR, robin.mcdowell@bristol.gov.uk.

The South Bristol Enterprise Support project will monitor risk at both Delivery Partner and Project Consortium levels.

The initial risk register will be updated and reviewed at the first Consortium Meeting and risks allocated ownership to individual members. Additional risks will be added at each Consortium Meeting with mitigation and scoring agreed by consensus.

At an operational level risks will be addressed in monthly meetings and any which are deemed high risk will be notified to the Consortium Chair to see if the risk requires an exceptional notification across the Consortium members for approval of mitigation steps. If a risk is low or medium rating then it will be put on the agenda for the next Consortium meeting.

The risk register currently assesses risk against:

- Impact - the disruption which would be caused to the project progress should the risk not be addressed. This is scored out of 10.
- Probability - the likelihood that the risk would happen should the mitigating action not be taken. Again this is scored out of 10.
- Score - the score from the Impact x Probability out of 100.

7. Dissemination

- *Provide details of how the findings from the evaluation will be used. What will the evaluation inform and who will be the audience?*
- *Please provide details of how the findings from the evaluation will be communicated to key stakeholders and lessons disseminated.*

The evaluation and summative assessment will provide important strategic direction for the continuation of an entrepreneurship and enterprise support programme for South Bristol and its wider economic and sectoral development over the period 2023-25.

In terms of dissemination the final report will -

- Be made available through the dedicated project website
- And to a wider audience via links with stakeholders including: the core delivery partners, sector organisations, beneficiaries, local, Growth Hub and combined authorities etc.
- Provide a crucial element to any relevant literature or policy reviews taking place over the next three years.

Alongside dissemination it is important to gather endorsement for the project outcomes and evaluation findings. This will primarily be achieved through:

- An endorsement/ showcase/ promotional event to raise awareness of the project and promote the findings for the project
- In conjunction with the project steering group develop ambassador activities to deliver case studies from the project beneficiaries across the key enterprise demographics
- Stakeholder and partner endorsement – the aim would be to work with steering group members to secure endorsement from 100 stakeholders across the region and use the findings and recommendations to bring a consensus around future programmes.

(indicative 250 words)
