

**Report to:** Business Economy and Innovation Committee

**Date:** 5 January 2021

**Subject:** **Current Delivery - Entrepreneurship Programme**

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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## 1. Purpose of this report

- 1.1 To provide an update on the delivery of the Entrepreneurship Programme, which is being delivered across West Yorkshire with £6m of Gainshare funding in response to the West Yorkshire Economic Recovery Plan.

## 2. Information

- 2.1 In June 2021, the Combined Authority's (CA) Investment Committee approved a new £6 million Entrepreneurship Programme to be being delivered as a major contribution to the West Yorkshire (WY) Economic Recovery Plan. The programme is focused on a 'ladder of enterprise support' across three inter-connected workstreams that will help individuals in the region to explore and establish new businesses. A primary focus of the programme is Equality, Diversity and Inclusion and clear 'minimum floor' targets have been set to ensure that the support available is taken up by females, people from BAME backgrounds and people with disabilities, as well as people from our more disadvantaged communities and localities (see below for more details).
- Workstream One - promoting enterprise as a career option (i.e. is enterprise / business start-up right for you?)

- Workstream Two – a universal business start-up support programme to help anyone who has made the decision to start a business. There is a primary focus on engaging people from equality groups and from the more disadvantaged communities of West Yorkshire.
  - Workstream Three – support for innovative entrepreneurs by providing intensive and targeted support for those with the potential to become successful, innovative and investable entrepreneurs and businesses. Societal and environmental impact of the new-starts will be a primary consideration in the support made available, as will the diversity of the entrepreneurs participating to ensure that they reflect the West Yorkshire population.
- 2.2 Following recent open tender exercises, preferred suppliers have been selected to deliver a £350k Exploring Enterprise programme (on Workstream One) and a £1 million Business Start-Up programme (on Workstream Two). Both commenced delivery in late September / early October 2021 and will be delivered for 18 months, with options to extend for the same periods subject to performance, outcomes and policy priorities.
- 2.3 The Exploring Enterprise Programme will deliver one-to-many support through online training, events, workshops and seminars. It is expected that a minimum of six hours of support will be delivered per participant. The support package will cover key areas to help consider starting a new enterprise and how to overcome any barriers that would prevent people from doing so. Programme content includes: - identifying the need/market research, creating an idea, networking, understanding different types of businesses, including social enterprise and cooperatives, and legal and financial support. Underrepresented groups, and those most adversely impacted by the pandemic, are being targeted to engage with the programme as follows: - 50% of participants will be women and 20% will be from BAME backgrounds. In addition, the provider has offered CV support for those that decide not to start a business and to seek employment instead.
- 2.4 Workstream Two's Business Start-Up programme (Enterprise West Yorkshire) is now providing new-start and start-up businesses up to 12 months old with a blended package of support covering the key topics required to establish and develop a new enterprise. This includes: - business and financial planning; business structure and tax; sales and marketing (including social media); access to finance and recruiting staff. There are no sector or growth-related restrictions and there are also clear 'minimum floor' targets in place to support new firms that are led by individuals from BAME backgrounds (20%), women (50%) and people with disabilities (3%).
- 2.5 Furthermore, five Start-Up Managers (two currently in post) are being recruited by the West Yorkshire Local Authorities to work alongside the existing SME Growth Managers. These posts are coordinating enterprise support activity at the district level and delivering some direct one-to-one support to early-stage micro firms with growth potential. The posts are focussing on the high street renewal agenda and, as a result, are working mostly with business-to-consumer operators where the impact of the pandemic has been most severe,

and where criteria associated with current funding schemes has restricted support for many firms in retail, leisure and hospitality. The managers are also focussing on the most disadvantaged parts of their districts and on ensuring that new and early-stage micro firms that have not previously been supported by publicly funded schemes, are engaged and assisted. Approximately 1,500 pre-start / start-up / early-stage firms will be supported through Workstream Two's activities.

- 2.6 Workstream Three issued a tender in late November 2021 for a programme of high intensity, tailored support for Innovative Entrepreneurs – in this context, the term refers to individuals or teams with potentially unique ideas that address a problem with a large market, and that has the potential to develop, scale and be financially sustainable. The tender welcomes responses encompassing innovative approaches to delivery and from consortia bids. 'Soft market testing' with a range of key stakeholders in the 'seedcorn' finance and 'accelerator support' marketplace took place over the summer and autumn of 2021, and this has informed the current open tender opportunity. This strand will also have clear and stretching targets to engage equality groups in the provision, and to engage with people from more disadvantaged parts of the region who have not previously accessed support. It also focusses on new ventures that have clear potential to positively impact on societal and/or environmental challenges and opportunities. The tender closes to application on 14<sup>th</sup> January 2022 and delivery on this strand is expected to commence in the spring of 2022.
- 2.7 A range of routes to market are in place, and in development, for all three workstreams, with a strong focus on engaging underrepresented groups, more disadvantaged parts of West Yorkshire and those that have not previously engaged with public sector support (directly delivered or funded). This includes working with several well-established community-based organisations and enterprise support agencies to both deliver support, and to make it more visible and accessible to a diverse range of people and businesses e.g. Airedale Enterprise Services in Keighley, Barca-Leeds, the Paddock Community Trust in Huddersfield, Inspired Neighbourhoods in Bradford and Aspire-igen in Wakefield and Leeds.
- 2.8 In addition, the programme is engaging with several networks and key influencers within business communities at the local and district level to raise the profile of the support available and increase take-up. These include the Yorkshire Asian Business Association (working with the Asian Standard) and the BAME Committee of West & North Yorkshire Chamber of Commerce. The CA/LEP already works with several key influencers in the enterprise support space to increase take-up amongst BAME-led and Women-led enterprises, and these strong working relationships will also be utilised for this programme. Taking the support available to other community settings, such as faith groups, enterprise centres and childcare providers, will also be a focus of activity to broaden reach and increase take-up, as will the use of role-models and mentors from diverse backgrounds that reflect the population of the region. Lastly, promoting the programme to target audiences via such vehicles as the Asian Standard publication and radio stations such as Sunshine Radio,

Peoples' FM and Fever FM, will also be considered as this has previously worked well in terms of increased engagement levels.

- 2.9 The programme was officially launched by the Mayor of West Yorkshire, Tracy Brabin, on 3 November 2021 at an on-line event with over 150 attendees. The event was hosted by local social entrepreneur and LEP Board Member, Kamran Rashid, and also featured case study presentations from several people from diverse backgrounds who have established successful enterprises in West Yorkshire. It also included the Mayor being interviewed by a student from Batley Girls High School on the importance of diversity and enterprise in the region, and a discussion between Sir Roger Marsh OBE DL and Heba Bevan, the Chief Executive of Utterbury, an advanced manufacturing business that is in the process of establishing a significant new venture in Leeds. Within 48 hours of the launch, the website for the programme ([Enterprise West Yorkshire - LEP | Business support and finance \(the-lep.com\)](https://www.the-lep.com)) had over 400 hits, which has since risen to over 1,000.
- 2.10 To date, over 100 referrals have been made to Enterprise West Yorkshire, mostly from Ad:Venture and the Growth Service Gateway, but also from several local partners in the public and private sectors (see below for examples). Over 40 clients have been signed up to the support, just under half of whom are female and 35% of whom are from BAME backgrounds. The first round of webinars are being delivered in December 21, and at the time of writing (mid-December 21), over 30 diagnostic meetings have been arranged for January 22. Although the take-up at this early stage from people from BAME backgrounds is 15% above the 'minimum floor' target, it is important to continue to identify and implement more effective routes to market and delivery methods. For example, promotion through local trusted networks and community leaders (including successful local business people), tailored messaging, language and branding for different target groups, and more innovative approaches to customer journeys capable of overcoming barriers to engagement. The delivery of 'in person' events - when safe to do so - across a wide range of community settings, including in some of our most disadvantaged areas, will be greatly beneficial in delivering the above.
- 2.11 Following the launch of the programme, the CA/LEP continues to engage with the Lloyds Banking Group Black Entrepreneurs Board. This has involved the team presenting on the new enterprise programme at the West Yorkshire Black Entrepreneurs Conversation event on the 18 November 2021, and also to the Jobcentre Plus Work Coaches and Self Employment Coaches on 9 December 2021. Both presentations and events have already resulted in referrals being made into the programme from people who have not previously engaged with the CA.LEP, particularly the start-up support available via Workstream Two. It is anticipated that this will increase significantly from January 2022 onwards, particularly from Jobcentre Plus clients.

### 3. **Tackling the Climate Emergency Implications**

- 3.1 All of the new-start and micro businesses on the programme will be made aware of, and where relevant referred into, the full range of advice, guidance and funding available in the region on net zero-related support. As and when workshops and events can be delivered safely in-person, these will take place in venues that are well-served via public transport links.

#### **4. Inclusive Growth Implications**

- 4.1 As referenced throughout the report, the programme will be proactively promoted through a range of existing networks, organisations and key influencers, including those that support enterprise activity within certain equality groups and within certain more disadvantaged areas. This will continue to be a key focus of the programme over the coming months, and all enterprises participating will be encouraged and supported to make Inclusive Growth contributions, as is the case with with the other current products and services delivered by the CA/LEP. For example, recruiting someone who has been out of the employment market for a long period, upskilling their lowest paid staff, working with a local school or becoming a Real Living Wage employer. It is envisaged that the enterprises supported on Workstream Three will be those best placed to make the more substantial contributions to the Inclusive Growth agenda, however, some of the more established micro firms supported on Workstream Two via the Start-Up Managers may also be in good positions to contribute.

#### **5. Equality and Diversity Implications**

- 5.1 The programme has specific targets to engage with women (50% of participants), people from ethnic minority backgrounds (20%) and people with disabilities (3%). Furthermore, and to highlight the target demographic of Workstream Three being those individuals who, due to certain societal / situational barriers would not be able to progress without the support of the programme, stretch targets have been applied specific to this workstream. These include:- entrepreneurs from an ethnic minority background (30%) and entrepreneurs self-identifying as disabled (5%) of the total population of beneficiaries of workstream 3. In addition, the CA / LEP is working with the Yorkshire Asian Business Association, the Asian Standard and the BAME Committee of the West & North Yorkshire Chamber of Commerce to raise awareness of the programme amongst BAME-led micros firms, start-ups and potential entrepreneurs.

#### **6. Financial Implications**

- 6.1 There are no financial implications directly arising from this report.

#### **7. Legal Implications**

- 7.1 There are no legal implications directly arising from this report.

#### **8. Staffing Implications**

8.1 There are no staffing implications directly arising from this report.

**9. External Consultees**

9.1 None on this report, but the design and development of the programme has been informed by consultation and engagement with a wide range of key stakeholders in the enterprise support eco-system for over 12 months.

**10. Recommendations**

10.1 To note progress on the development and delivery of the £6m Entrepreneurship Programme.

**11. Background Documents**

None.

**12. Appendices**

None