

**Solutions
for Business**

Funded by
government

‘Solutions for Business’

BSSP Comms Pack

20th October 2008

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Key Messages

- 'Solution for Business - funded by government' package to help companies start, survive and succeed. Business wanted simpler government support.
- Easy access to effective support key to helping businesses in current circumstances, and to providing a long term sustainable government offer to business.
- Simpler system will be easier for business to access and understand, target support where help is needed, and improve value for tax-payers money by reducing waste.
- 30 evidence-based products in place by March 09, well within the target of 100 or less. On track to close old schemes by 2010.
- Products have uniform look and feel for instant customer recognition and mark of quality.
- Products will help business address common issues and be delivered where most appropriate i.e. nationally, regionally or locally.
- Business Link to be the main access channel with customer input directly driving up performance by bringing senior business leaders into the strategic management of the service.
- Higher impact schemes estimated to benefit businesses by up to £1.4bn p.a. Up to £1.4m p.a. in saved search costs.
- Strong management to ensure portfolio stays small yet dynamic and responsive to need.
- Simpler business support reinforces a wider policy commitment to make the UK the most enterprising economy in the world.

PN – embargoed till 09:30 am on 23rd Oct

Single government ‘Solution for Business’ to help companies succeed

The Government today launched ‘Solutions for Business – funded by government’, a national package of publicly funded business support products.

Peter Mandelson, Secretary of State for Business, speaking at the Northern Regeneration and Renewal Summit revealed the 30 advice, loan and grant products and services that make up the portfolio alongside their common look and feel.

The products will be accessed via Business Link. A new Business Link Strategy Group will ensure customer input directly helps drive up Business Link performance by bringing senior business leaders into the strategic oversight of the service.

All the ‘Solutions for Business’ products will be in place by March 09 and are a result of a streamlining exercise whereby the government committed to reduce over 3,000 products to less than 100. Monitoring will ensure the number of schemes stays low.

The aim is to make it easier for companies, starting and growing, small and large, new and existing, to find the right products to help them with common business issues such as starting, growing, finance, export, skills, innovation and the environment.

Businesses had complained they found government support complex and confusing. ‘Solutions for Business’ responds to their concerns and the business community has been involved in developing the package.

It is estimated tighter targeting of schemes will collectively add up to £1.4bn per year of value for businesses whilst having clearly identifiable products will save them up to £1.4m in saved search costs.

Rationalisation will ensure effective use of tax payers’ money through more efficient delivery as all levels of government – national, regional and local – will, for the first time, share the same products.

Economic, social and environmental goals will be met where the Government needs to intervene.

Secretary of State for Business, Peter Mandelson said:

“It is our vision to make the UK the most enterprising place in the world but we are aware more can be done to create the right environment for enterprise. Publicly funded business support - advice, loans and grants - can help individuals realise their entrepreneurial potential, businesses start and succeed, and communities prosper and flourish.

Better business support is about better customer service - reducing backroom wastage and delivering greater impact with the same resources. This is what businesses tell us they want.

BSSP reinforces a wider policy commitment to make the UK the most enterprising economy in the world and the best place to start and grow a business".

Chair of the BSSP Transition Management Board Martin Temple said:

"Business has called for a simpler support system. Today, 'Solutions for Business' gives them that.

For far too long, help which has been available to business has not been taken up because it has been too complex, confusing to understand and hard to find quickly and easily. This programme will simplify access, make clear what is available and improve the quality in order to match business needs.

"As a consequence, government support for business will make a greater contribution to economic growth at a regional and national level and provide better value for money for the taxpayer.

"However, the sheer scale of transition from the current plethora of schemes to a more streamlined approach will take time to be introduced but the benefits of the new system will become apparent within eighteen months"

CBI Deputy Director-General, John Cridland, said:

"Once fully implemented, the simplified portfolio should mean small and growing businesses will find it much easier to understand the support on offer from government. Together with improvements to Business Link, the delivery of the portfolio comes at a time of tough trading conditions when, more than ever, businesses need access to high quality, independent advice and support to boost their chances of survival and growth."

Notes to editors:

1. The Business Support Simplification Programme (BSSP) was announced during the Budget 2006 to reduce the number of publicly funded business support schemes from over 3,000 to less than 100 by 2010.

2. 'Solutions for Business' products are:

1. Export Credit Insurance
2. Grant for Business Investment
3. Maximising Foreign Direct Investment
4. Accessing International Markets
5. Developing Your International Trade Potential
6. Train to Gain
7. Business Collaboration Networks
8. Business Premises
9. Business Growth: Specialist Facilities and Environments
10. Starting a High Growth Business
11. Intensive Start-Up Support

12. Starting a Business
13. Manufacturing Advisory Service
14. Designing Demand
15. Innovation Advice and Guidance
16. Coaching for High Growth
17. Support to Lenders
18. Small Loans for Business
19. Understanding Finance for Business
20. Finance for Business
21. Enterprise Coaching
22. Improving Your Resource Efficiency
23. Environmental Land Management Funding
24. Environmental Land Management Advice
25. Collaborative R&D
26. Networking for Innovation
27. Knowledge Transfer Partnerships
28. Innovation Vouchers
29. Low Carbon Energy Demonstration
30. Grant for Research and Development

3. Products will migrate to 'Solutions for Business' on a rolling basis between now and March 09. Five products join the portfolio today: Grant for Business Investment, Maximising Foreign Direct Investment, Accessing International Markets, Developing Your International Trade Potential and Train to Gain.

4. Businesses looking for support can contact Business Link by phone (0845 600 9006), online (www.businesslink.gov.uk) or face-to-face by contacting their local provider.

5. The Business Link Strategy Group will consist of Martin Temple as Chair plus businesses, representative members from business organizations, RDAs and Business Link.

6. A similar streamlining exercise undertaken at the former DTI found that, with tighter targeting of products, every £1 spent on support delivered a £2.80 benefit to business. These numbers when scaled up across Government equate to up to an estimated £1.4bn of economic benefits per year, adjusting for already improved schemes and products with wider benefits. Economic benefits, depending on the support scheme, will include new products, more investment, and improved productivity. Wider benefits will include greater employment in assisted areas, lower carbon emissions and greater opportunity for minority groups.

7. The Business Support Simplification Programme is led by BERR in central government and the RDAs in the regions.

8. The business community, Local Authorities and other organisations and individuals have been involved in the development of the 'Solutions for Business' package.

9. The Department for Business Enterprise and Regulatory Reform helps UK business succeed in an increasingly competitive world. It promotes business growth and a strong enterprise economy, leads the better regulation agenda and champions free and fair markets. It is the shareholder in a number of Government-owned assets and it works to secure, clean and competitively priced energy supplies. More information on BSSP can be found at: <http://www.berr.gov.uk/whatwedo/enterprise/simplifyingbusinesssupport/page44805.html>

Branding Guidance

S4B logo and branding guidance is available at: http://stage.theteam.co.uk/BERR_Guidelines/

Please note the 'Solutions for Business' branding guidelines are not a public document. This link should only be shared with partners who need access to the guidance in order to undertake branding of business support products and services.

If you need any help or guidance on correct use of the branding material please contact Kate Barlow, Brand Implementation Manager on 020 7215 0236 or email kate.barlow@berr.gsi.gov.uk

Supportive Quotes

1. "For far too long, help which has been available to business has not been taken up because it has been too complex, confusing to understand and access in a timely manner. In addition, the quality and content of the offering was inappropriate, as well as being complicated and expensive to administer.

"This programme will simplify access, make clear what is available and improve the quality in order to match business needs. As a consequence, government support for business will make a greater contribution to economic growth at a regional and national level and provide better value for money for the taxpayer.

2. "However, the sheer scale of transition from the current plethora of schemes will take time to be introduced but the benefits of the new system will become apparent within eighteen months"

Martin Temple, Chair of the BSSP Transitional Management Board

3. "Once fully implemented, the simplified portfolio should mean small and growing businesses will find it much easier to understand the support on offer from government. Together with improvements to Business Link, the delivery of the portfolio comes at a time of tough trading conditions when, more than ever, businesses need access to high quality, independent advice and support to boost their chances of survival and growth."

John Cridland, CBI Deputy Director-General

4. "The Forum of Private Business (FPB) welcomes the announcement that the Government's Business Support Simplification Programme team have been able to meet - and exceed - their target for a simplification of business support delivery mechanisms. As a small-business membership organisation, we believe that a simplified structure for business support will make it easier for business-owners to find the right help at the right time.

The FPB acknowledges that, over the last three years, a great deal of work - at every level of government - has gone into this programme. We hope this transfers to an effective and smooth roll-out of the changes. Even more importantly, the FPB and our fellow small-business representative organisations need to take an active role in ensuring the Government's support from now on remains focused and relevant to the needs of small businesses - our members."

Phil Orford, Chief Executive, Forum of Private Business

5. "The Plymouth Chamber of Commerce welcomes the initiative to reduce the number of business support products as this will help considerably in streamlining and simplifying the access to support that SMEs require.

We believe that simple and effective communication of the new arrangements will be key in maximising the benefits of the initiative. We also look forward to a robust process being put in place to ensure that the number of support products does not gradually increase over time.

David Parlby, Chief Executive Officer, Plymouth Chamber of Commerce & Industry

6. “We are committed to simplifying a complex business support picture in the region, to put in place a more effective package of support that better meets business needs.

‘Publicly funded support provides businesses with incentives to invest in their performance and growth. Making this support more efficient, easier to access and understand will drive businesses on to better performance. That’s why, as a business owner in the region, I am pleased to lead our Transition Board.’

Ian Dormer, Chairman of the North East Transition Management Board and Managing Director of County Durham-based Rosh Engineering

“We are streamlining the support we fund by working with partners such as Stockton Council and Business Link to provide access to tailored brokerage and business solutions for our local firms.

7. “This practical approach makes it less confusing for customers while making sure we meet the specific needs of Middlesbrough’s businesses and entrepreneurs – a positive example of simplification in action.”

Sandra Cartlidge, Head of Economic and Community Regeneration at Middlesbrough Council

8. “The Regional Skills Partnership (RSP) is fully supportive and directly involved in Business Support Simplification in Yorkshire and the Humber. The partners involved in the RSP see this approach as one way of placing business and employers in the driving seat of developing business support services that really meet their needs and help them to have more successful and productive businesses.”

Sharon Pickering, Director of the Regional Skills Partnership

9. "In the past businesses highlighted their confusion over what publicly funded support there was available to them. As the primary access route for business support in the region, Business Link Yorkshire makes it easier for businesses and entrepreneurs to understand and access all sources of support available – including government funded grants, subsidies and advice. Our advisers meet one to one with our customers and broker in relevant support from specialist providers at the most appropriate time to help start and grow their businesses.

The launch of the BSSP product portfolio will ensure that it is even easier for businesses to understand what support is available to them, whether funded nationally, regionally or locally. This is a very positive development and will provide clarity to a once complex marketplace."

Helen West, Chief Executive at Business Link Yorkshire

Q&A

1. What is 'Solutions for Business'?

'Solutions for Business – funded by government' is a package of government products covering a range of advice, loans and grants that will be provided collectively and consistently to businesses by all levels of government – nationally, regionally and locally via Business Link.

Businesses complained multiple publicly-funded products, brands and providers were confusing and off-putting. The Government is streamlining the number of products available from an estimated 3,000 to an initial 30 (which is well below the 100 target) and making Business Link the main access route to support. This will make it easier for companies to get the help they need. Products will have a common look and feel to give instant recognition.

2. What are the products and how were they arrived at?

Products were arrived at through economic and equitable justification, and consultation with business. They are a mixture of existing and new products, combining the best of government support.

Products will be in place by March 09 and will help businesses deal with common issues such as finance, starting a business, exporting, innovation, skills and the environment. They are:

- Export Credit Insurance
- Grant for Business Investment
- Maximising Foreign Direct Investment
- Accessing International Markets
- Developing Your International Trade Potential
- Train to Gain
- Business Collaboration Networks
- Business Premises
- Business Growth: Specialist Facilities and Environments
- Starting a High Growth Business
- Intensive Start-Up Support
- Starting a Business
- Manufacturing Advisory Service
- Designing Demand
- Innovation Advice and Guidance
- Coaching for High Growth
- Support to Lenders
- Small Loans for Business
- Understanding Finance for Business
- Finance for Business
- Enterprise Coaching
- Improving Your Resource Efficiency
- Environmental Land Management Funding

- Environmental Land Management Advice
- Collaborative R&D
- Networking for Innovation
- Knowledge Transfer Partnerships
- Innovation Vouchers
- Low Carbon Energy Demonstration
- Grant for Research and Development

3. What is the relationship between ‘Solutions for Business’ and Business Link?

‘Solutions for Business’ works hand-in-hand with Business Link, the former as the government’s guarantee of quality support, the latter as the main route to access this support.

4. Are there gaps in the portfolio?

Government does not provide help for every business problem and the bulk of support is provided by the private sector. However, where there is evidence of market failure the government will consider provision if there is a strong enough business case to do so.

5. Does this mean no new government products after March 2009?

No. It is important government support continues to evolve to meet changing circumstances and business need, particularly in a dynamic, global economy. The range of products will be regularly assessed to make sure it stays fit-for-purpose. Where there is a sound business case, new products can be assessed for inclusion. Equally, those not having the desired impact can be withdrawn.

6. Doesn't removing products and brands remove choice?

No. It removes complexity, confusion, duplication and low value schemes. Moving to fewer, higher impact schemes that work harder for customers will improve outcomes for businesses.

7. Some of the products are not new. What’s changed?

What’s changed is a simpler publicly funded support system for businesses – the concept of a single portfolio containing a range of products used across the board with a uniform look and feel and Business Link as the main route to access support. It would not have made sense to get rid of schemes that were successful. Some existing schemes have been fine-tuned accordingly, some have new names to better describe their purpose, others are new. This ensures businesses get the best help Government can provide.

8. Have business been consulted on the products?

The teams designing the products have taken views from the business community and the product names have been tested. In addition, all products fall under a number of overarching economic themes that were subject to public consultation in 2007.

9. How will well-known products and brands fit with ‘Solutions for Business’?

Some well-known products will be co-branded e.g. they will carry the ‘Solutions for Business’ logo and the name of the product provider or funder e.g. Train to Gain.

ACCESS

10. Are products available to everyone?

Most products will be highly targeted with the nine English regions providing appropriate products according to need in their area, so making sure the right support reaches the right people and builds on local strengths.

11. How can I get hold of products?

Business Link is the main access channel – by phone, online and in person. Businesses getting in touch with them will be assessed for their support needs and then brokered to suitable schemes be they from the public, private or third sectors. Its advice is free, impartial and online 24/7.

12. Isn’t Business Link just for SMEs?

No. Business Link is open to all businesses, and there are ‘Solutions for Business’ products for larger companies.

13. What about under represented minorities?

Better marketing and targeting of products will reach underrepresented communities and many Business Link providers undertake out reach work with specific groups, offering their service in the community.

14. What is the quality of Business Link advice?

In recent years, Business Link has been successful in attracting new customers and its reputation as a truly impartial source of help is growing. Successive evaluations have found that Business Link improves business performance and that it provides value for money.

15. Will advisors understand my business?

Yes, the majority of advisors have direct business experience. In addition, the Government/RDAs has been working in partnership with SFEDI and the newly formed Institute of Business Consulting to create a new set of national standards for all organisations involved in the delivery of business support. These new standards aim to improve the quality of advice and introduce a process of continual professional development for business support professionals.

16. Do I still have to apply for products?

Yes. Once Business Link has advised which products might suit your needs you will then have to apply directly to the product provider. Allocation will be according to selection criteria.

17. Will 'Solutions for Business' change Business Link's service?

No, it won't change the basic information, diagnosis and brokerage model. But, it will result in the alignment of brokerage under the Business Link brand e.g. Train to Gain skills brokerage will be delivered under the Business Link brand from March 09.

TRANSITION**18. Can I get products immediately?**

There will be a managed transition with the range of 'Solutions for Business' products being put in place between October 08 and March 09. Business Link advisors, who provide brokerage to products, will have details as they become available and information will also be on www.businesslink.gov.uk in the 'Grants and Support Directory' section.

19. What will happen to existing schemes?

Schemes that are not part of the 'Solutions for Business' portfolio will close, or be marked for closure, by 2010. As schemes wind down businesses will be steered to the 'Solutions for Business' products that meet their needs.

20. How many schemes have closed to date?

From an estimated 3,000 schemes in 2006, many have already closed, or been marked to close. By 2010 only portfolio products will exist and other schemes will have gone or be closing.

21. Does this mean you are taking away popular schemes?

Not if there is a case for an existing product to remain. What is being removed are low value, duplicative and inefficient schemes. Where it is appropriate for the government to provide help, assistance will still be on offer.

22. What about local council support?

'Solutions for Business' has been designed for use by all levels of Government, including at the local level. Also, there is regional and local flexibility within the portfolio to allow Councils to best meet local business requirements.

23. Doesn't this change make the support landscape even more confusing, not simpler?

Transition is being carefully managed to avoid confusion by the nine English regions so that businesses aren't affected. Support will still be available as 'Solutions for Business' is introduced, but old schemes will gradually phase out. By 2010 the business support offer across government - nationally, regionally and locally – will be consistent, coordinated and coherent.

RATIONALE**24. Why has the government done this?**

Money was being spent on support at all levels of government – national, regional and local - with little or no co-ordination. This led to lots of government organizations delivering similar services in different ways. Businesses found it hard to know what support best met their needs and they spent a lot of time and often money looking for it. The Annual Small Business Service Survey 2005 found that over 50% of small businesses wanted government help but struggled to find their way through the maze of provision. A simpler, focused system will make support easier to access and have greater impact.

25. Why does the government offer support when there is lots of commercial support available?

Private support is valued by businesses and government support does not compete with this. It exists to fill a gap where the market does not provide, e.g. in deprived areas or to meet social and environmental aims.

26. Is this a cost cutting exercise?

Streamlining is about efficiency and impact – getting more for the money spent – not about cutting costs.

27. So will there be savings from simplification?

Yes. Analysis from the DTI's earlier business support transformation programme showed that small schemes with smaller budgets use a greater percentage of their budget in admin costs than larger schemes. So, fewer, national, high impact schemes shared across government should lead to efficiencies and economies of scale.

28. How much money does the government spend on support?

Until now, it has been hard to identify the exact number of schemes and spend due to the number of products, brands and providers. Simplifying support will make it easier in future to account for spend, and to make sure money is spent on schemes that work for businesses.

PERFORMANCE MEASUREMENT

29. Isn't government funded business support a waste of time?

No. Businesses actively use government funded support for a wide range of reasons from simple information to more complex business development. Research has shown it has sufficient impact to justify the spend. For example, for every £1 the former DTI spent on business support in 2004/05 there was a positive impact on Gross Value added to the economy of at least £2.

30. How will 'Solutions for Business' be measured?

On-going evaluation will assess how well products are performing over time and will include product success criteria and other measures to make sure the intended outcomes for business customers, and for government providers of support, are achieved.

31. *Is there correlation between business support and business creation?*

A number of surveys show that a large proportion of pre-start and start-up businesses make good use of business support and value its advice. In 2006, three quarters (76%) of new businesses had used some form of business support and advice (not just government funded) to help them start-up (Annual Small Business Survey 2006).

PROGRAMME

32. Why has BSSP taken so long to deliver?

Essential time has been spent consulting with businesses and developing 'Solutions for Business'. This is a difficult agenda in terms of complexity, size and magnitude and it's important to get it right for business.

33. Why has it cost so much?

The cost to the public sector covers the time spent by many people in many organisations on analysis and managing the change. Given the huge benefits we expect from streamlining support this investment is worthwhile.

34. What about EU funding?

Not true. EU co-funding of a business support scheme may place some limitations on the extent of simplification, but simplification will still be possible.

35. What impact will the Business Support Simplification Programme have in the Devolved Administrations?

The Programme will not affect business support funded by the Devolved Administrations, some of which have carried out their own simplification programmes recently. Although businesses in the Devolved Administrations may notice a change in the branding of certain business support products that are delivered throughout the UK.