

Cabinet Members Business Intermediary Forum

Monday 19 March 2023

09:00

ITINERARY

1	Chair and Introduction	Cllr Lesley Wagland	09:00 (5 mins)
2	Innovation	Karen Boakes, Innovate UK Edge Julian Gibbs, Anglia Ruskin University	09:05 (15 mins)
3	Access to Finance	Graham Marley, Lets Do Business Group	09:20 (15 mins)
4	Recruitment and Skills	Emma Curtis, Essex County Council Craig Baston, Colbea	09:35 (15 mins)
5	Federation of Small Businesses (FSB)	Ann Scott, FSB	09:50 (10 mins)
6	Confederation of British Industry (CBI)	Richard Holdaway, CBI	10:00 (10 mins)
7	Chartered Accountants in England and Wales (ICAEW)	Meghan Doyle, ICAEW Simon Gray, ICAEW	10:10 (10 mins)
8	AOB	Cllr Lesley Wagland	10:20 (5 mins)

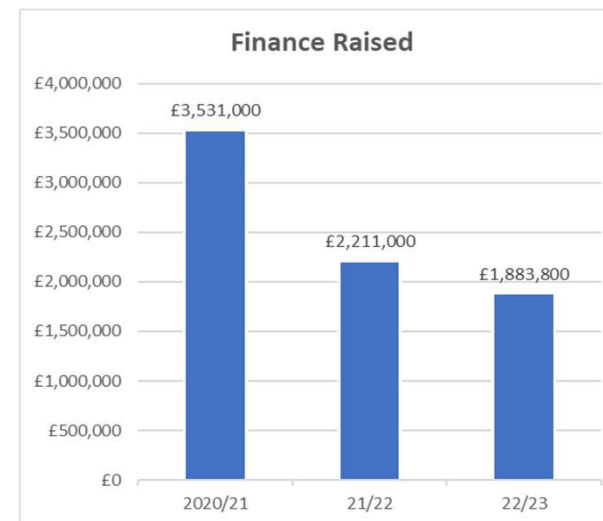
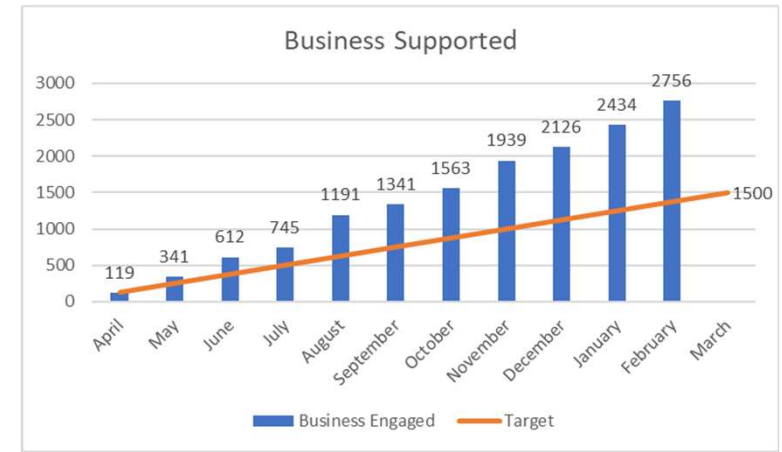
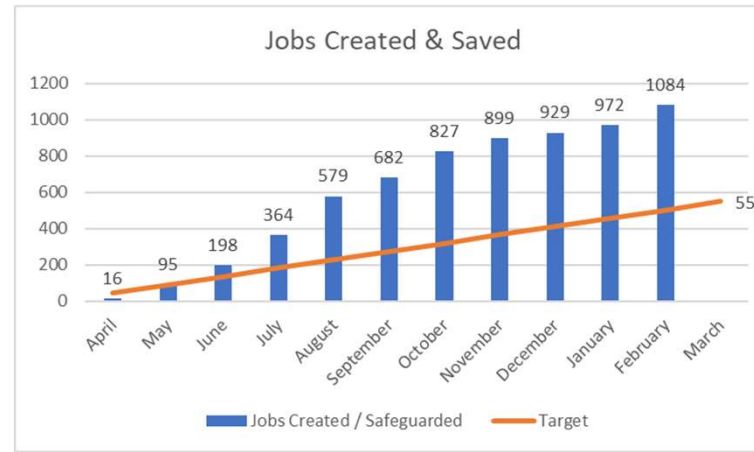


BUSINESS GROWTH

The following charts show:

- Jobs created and saved
- Business Supported
- Finance Raised

Across all the Business Support programmes that have taken place between the 22/23 Financial year.



INNOVATION

Karen Boakes, Innovate UK Edge
Julian Gibbs, Anglia Ruskin University

Welcome



Innovate
UK
EDGE



Karen Boakes – Innovate UK EDGE
Julian Gibbs – Anglia Ruskin University

Introducing Innovate UK EDGE

We enable ambitious innovative businesses, with strong commercial potential to significantly improve the UK economy, to accelerate their growth and achieve scale.



**Exploit and
manage business
innovation**

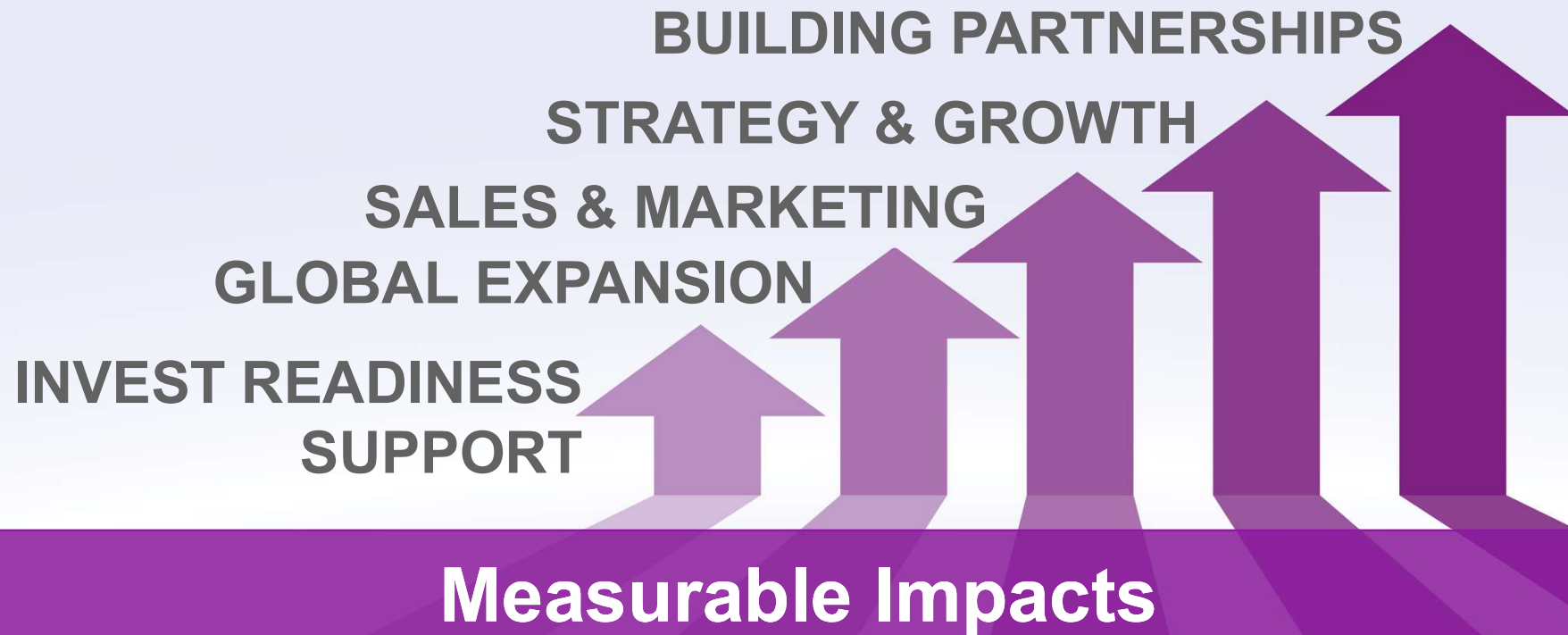


**Source funding
and finance**



Enter new markets

Tailored Innovation Growth Support



Innovate UK EDGE achievements between Jan 2020 and December 2021

We have supported **190** businesses in Essex, these businesses have seen impacts to the value of



£3.58m

GRANT FUNDING

£3.23M

INVESTMENT

£12.3M

INCREASE IN TURNOVER IN
BUSINESSES SUPPORTED

Our work with Paua

Value Proposition

Business Model

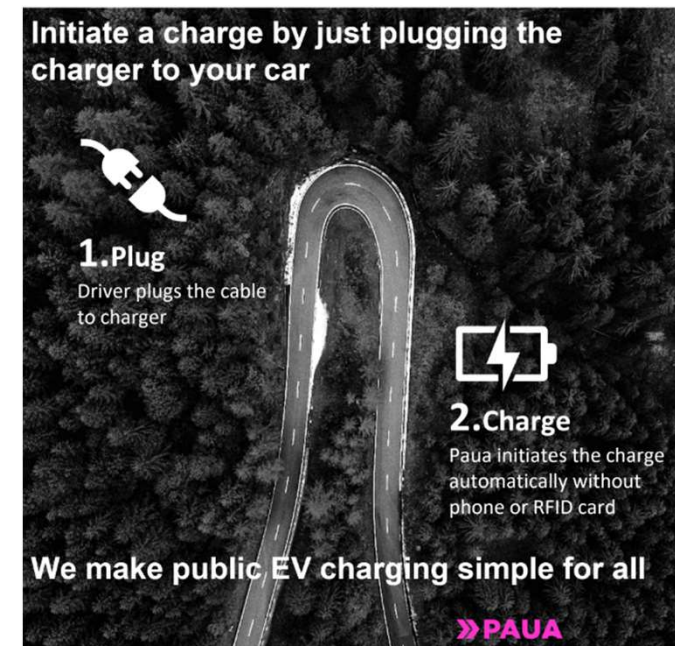
Key metrics: #1 EV Fuel Card
with +20k charge points

Catapult Grant (Plug & Charge)

IUK Grant: Infrastructure solutions
for zero emissions vehicles

Investment Readiness

Pitch Deck



Century Office Equipment

Innovate UK EDGE support innovative ergonomic office furniture designer launch new products to market

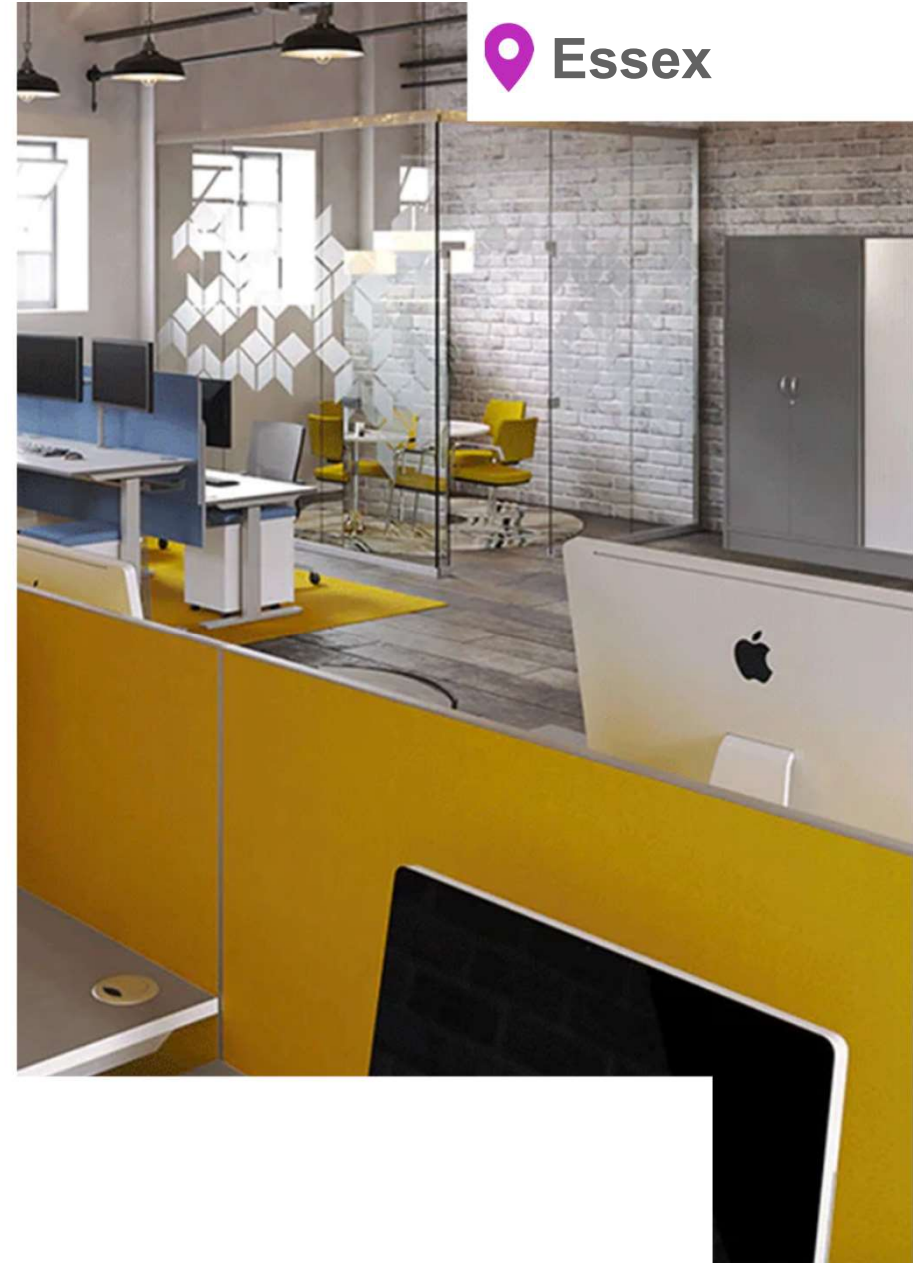


LAUNCHED NEW
PRODUCTS

DEVELOPED
MARKETING STRATEGY

REVIEWED
BUSINESS MODEL

 Essex



Watch case study here - <https://www.youtube.com/watch?v=1IUb18PTk3s&t=206s>

ARU Research and Innovation



IMPLEMENTATION
OF RESEARCH AND
INNOVATION STRATEGY
2022-2027



THREE OVERARCHING
RESEARCH INNOVATION
THEMES



SIX RESEARCH INSTITUTES



BUSINESS-LED
COLLABORATIVE RESEARCH
AND INNOVATION
PROJECTS



ENGAGING AND LIAISING
WITH EXTERNAL PARTNERS



INNOVATION VOUCHERS



KNOWLEDGE TRANSFER
PARTNERSHIPS



EMPLOYABILITY IN
PRACTICE - LIVE BRIEFS



Major Research, Innovation and Impact themes

Three overarching research and innovation themes

- Sustainable Futures
- Health, Performance and Wellbeing
- Safe and Inclusive Communities

Six Research Institutes

- Global Sustainability Institute
- Vision and Eye Research Institute
- Cambridge Institute for Music Therapy
- Policing Institute for the Eastern Region
- Medical Technologies Research Centre
- Veterans and Families Institute for Military Social Research

ARU innovation working across Essex

- ARU is a Civic University with a strong place-based agenda
- Representation on the DIZ, BEST Growth Hub and Harlow Growth Board
- Supported DIZ on High Street activity as part of Digital Leaders week
- 2 Arise innovation hubs – Chelmsford and Harlow
- Working with Basildon Hospital to deliver Anchor Project
- Delivering evaluation to local government on their Community Renewal Projects
- Proactive and responsive to supporting economic and social recovery to businesses – Innovation Vouchers



ARU Knowledge Transfer Partnerships in Essex

- **Boddingtons Electrical Limited**— new agile manufacturing techniques to manage variation and complexity of insulated tools.
- **Lipolife** - formulations and encapsulation
- **Homogenising Systems Limited** - develop and embed, the optimisation of processing techniques



ACCESS TO FINANCE

Graham Marley, Lets Do Business Group

Backing Essex Business

Access to Finance



What has Let's Do Business Group we delivered for ECC

- Invest Essex
- Management of Ongar Business Centre
- Back to Business Essex (COVID response)
- CBILS Loan Fund
- Backing Essex Business
- North Essex Finance Support for Business (NEEB)

Key Offers – Backing Essex Business

- Business Triage and signposting
- Peer to Peer Programme; workshops and webinars
- Low, medium and high intensity one to one support
 - Finance (including investment readiness workshops)
 - Productivity
 - Customer acquisition and marketing
 - People management and development
 - Supply chain management and business resilience

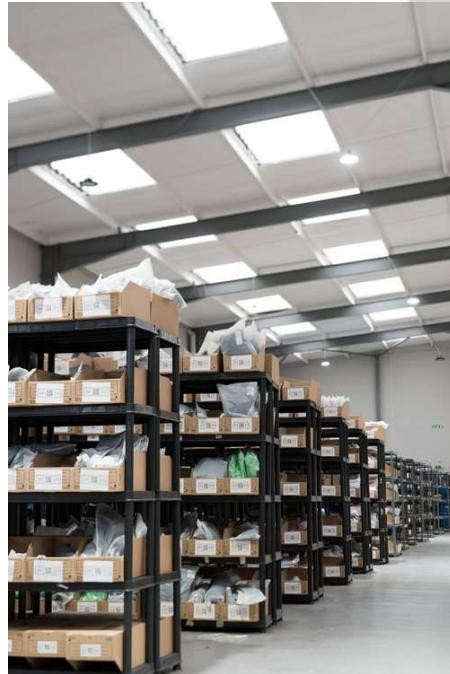
What has been delivered - BEB

	Full contract target	Performance to date
Jobs created/ safeguarded	1000	1033
Businesses supported to survive	80	162
Businesses supported to create new jobs	120	135
Number of finance raising interventions	40	136
Businesses supported to develop new products/ services/ processes	50	173
Businesses signposted to innovation support	24	47

Access to Finance

- 70% of Backing Essex Business enquiries are finance related
- FSB
 - Report all time low of 40% success rates in businesses having bank finance approved
 - Lower levels of finance agreed to female entrepreneurs
- BBB
 - Drop in small businesses using external finance 33% v 44% in 2021
 - Success in applying for finance down to 64% (80%)
- Business saying that banks won't lend where COVID debt is still outstanding
- Particular challenge in hospitality and tourism

Case Studies



What next...

Challenges:

High energy costs

Availability of credit

Wage cost inflation

Recruitment

Opportunities:

The new normal?

Pent up investment demand

RECRUITMENT AND SKILLS

Emma Curtis, Essex County Council
Craig Baston, Colbea

Employment and Skills team

The Employment and Skills team's primary aim is to develop a strong, flexible skills system that addresses issues relating to low productivity, business development and economic inclusion.

The team work strategically with a range of partners in shaping skills provision countywide and in priority places - developing the skills pipeline to match business requirements for future growth sectors.

KEY PROJECTS

Multiply – Central government scheme to support adults in improving their numeracy skills. Working with a variety of skills and training providers to produce a diverse array of free opportunities for Essex residents who wish to upskill their numeracy capabilities.

Essex Hero's / Shujaaz - youth movement for young people, that will shape this movement going forward. Young people will receive mentoring from Ford and Microsoft and hopefully local companies too, young people will also have social media training and digital badging. Still in its development at the moment, but watch this space!

Essex Careers Magazine – An all age Magazine publication to raise awareness of local growth sectors and support across the county. Physical copies will be distributed to libraries, colleges, job centres and youth centres.

Essex Opportunities Portal – virtual one stop portal for Essex residents for all matters pertaining to Skills and employment opportunities in Essex. The portal has an attributed Careers advisor since January 2021 who has engaged with 1032 residents, made 730 referrals to employers and placed 95 residents in appropriate training or employment.

KEY PROJECTS

Apprenticeship Hub – Associated hubs have been set up in Basildon, Harlow and Canvey Island to ensure that there is a coordinated approach in Essex in regards promoting Apprenticeships. Engagement with businesses, stakeholders and residents through outreach activity. Since Creation in November 2022, 136 engagements have taken place.

Anchor Partnerships – Supporting Anchor partnerships across Essex ,enabling a forum in which key stakeholders can collectively upskill and support residents into employment within the Public Sector.

Green Skills – Identifying opportunities to create a greener, fairer and more productive economy by working closely with businesses, residents and our public sector partners. Essex Green Skills Summit coming May 2023.

Nationally Significant Infrastructure Projects- Link in to consultation on planning applications for developments in Essex, through section 106 agreements. A notable recent success in this area was agreeing a skills fund contribution of £50,000 per year for 44 years (construction and operation) at Longfield Solar Farm, with EDF.

Essex Business Accelerator

Craig Baston – Colbea

<https://colbea.co.uk>

<https://www.linkedin.com/company/colbea>

<https://www.facebook.com/colchesterbusinesscentre>

<https://twitter.com/ColbeaBizAdvice>

<https://www.instagram.com/colbeacentre>

PURPOSE

- **Supporting those affected by recent circumstances.**
- **Bridging the gap between employment and enterprise.**
- **Providing foundational skills to support starting-up or leading to further development.**



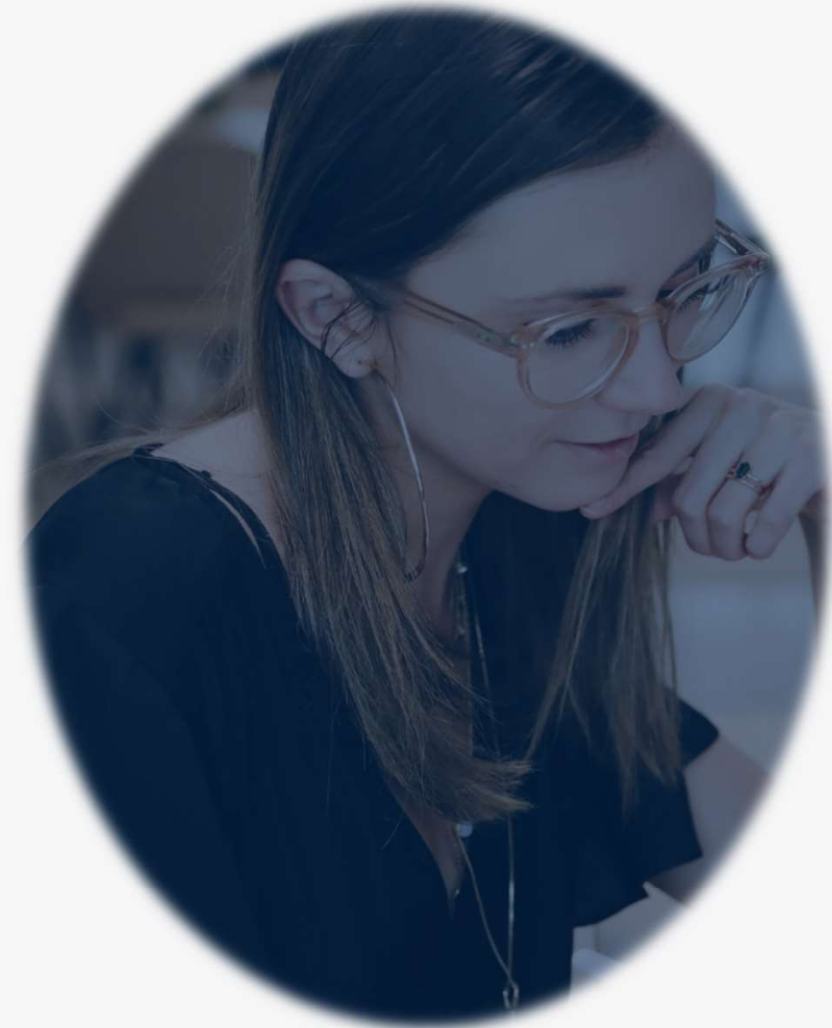
FORMAT

- Supported with one-to-one mentoring.
- All sessions delivered online via Zoom.
- 2-Hour duration per session with optional extension for 10-minute "Advice Blitz".
- Guided conversations and homework between sessions.
- Supported with one-to-one mentoring.
- Eight sessions delivered over 10 weeks.
- Accessible to the whole of Essex.

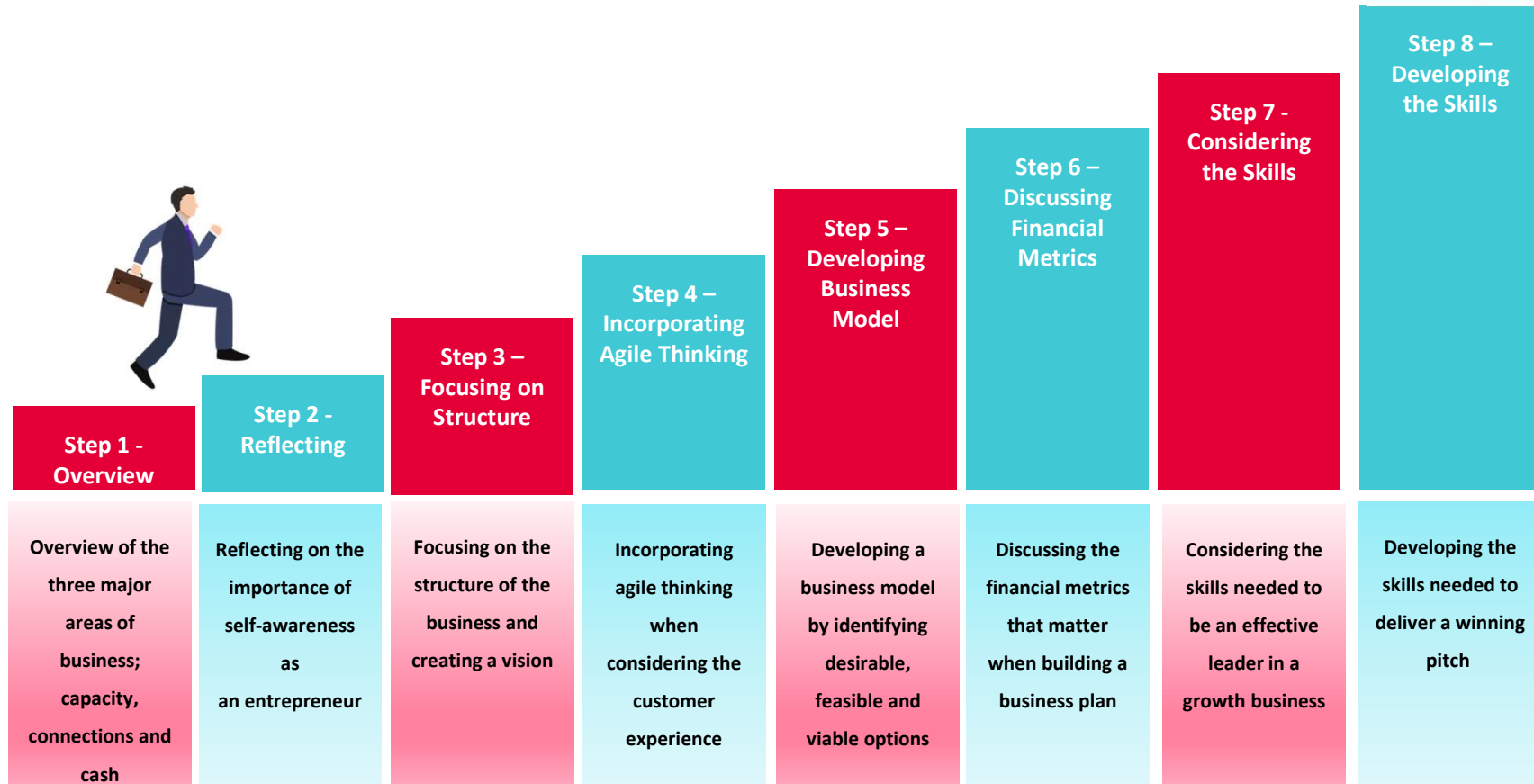


ELIGIBILITY

- **open to businesses registered within Essex.**
- **Audience not limited to any specific demographic.**
- **Aimed at pre-start or recently started businesses (under 1 year old).**
- **More established businesses considered where they may benefit from training.**



PROGRAMME OVERVIEW - STEPS TO SUCCESS



Key Successes

90

90 Delegates have participated in the programme so far

4.9
out
of 5

Overall rating of Essex Accelerator Programme

12

12 New Businesses set up in Essex after completion of the programme so far!

Byron Pinn - CrewSpace: "A broader perspective on many areas I had not yet considered. It was very helpful not feeling alone by having others in a similar situation there too."

Dinal Ahmed - Foodilize: "The areas covered were really broad and jam packed and fast paced which are all useful. However, I would have liked it to be spread over couple of more sessions...I loved the pitch practices."

Victoria Pitt - Pitt Fishing Fun: "The course was excellent, I looked forward to it every week. As a nervous prestart I feel much more confident going forward."

ANY QUESTIONS



Essex Business Accelerator



An eight-part online training course for businesses seeking growth and looking for new opportunities.

more information:
colbea.co.uk/learn/essex-business-accelerator

#ColbeaCommunity

colbea
A space to learn

FEDERATION OF SMALL BUSINESSES (FSB)

Ann Scott



Helping smaller businesses achieve their big ambitions

Ann Scott
Development Manager (Essex)



Why involve small businesses?

- They make up 99% of the business community
- They give 60% of the population employment
 - They contribute 52% to the UK economy
- They are the engine room of any economic recovery



Recruitment/skills

- When East of England FSB members were surveyed 40% said that appropriately skilled staff is one of the greatest barriers to growth
- Half would like to develop a training plan but say that there are too many barriers for them to implement
- Many say that time is a bigger barrier than money but also knowledge of where to go



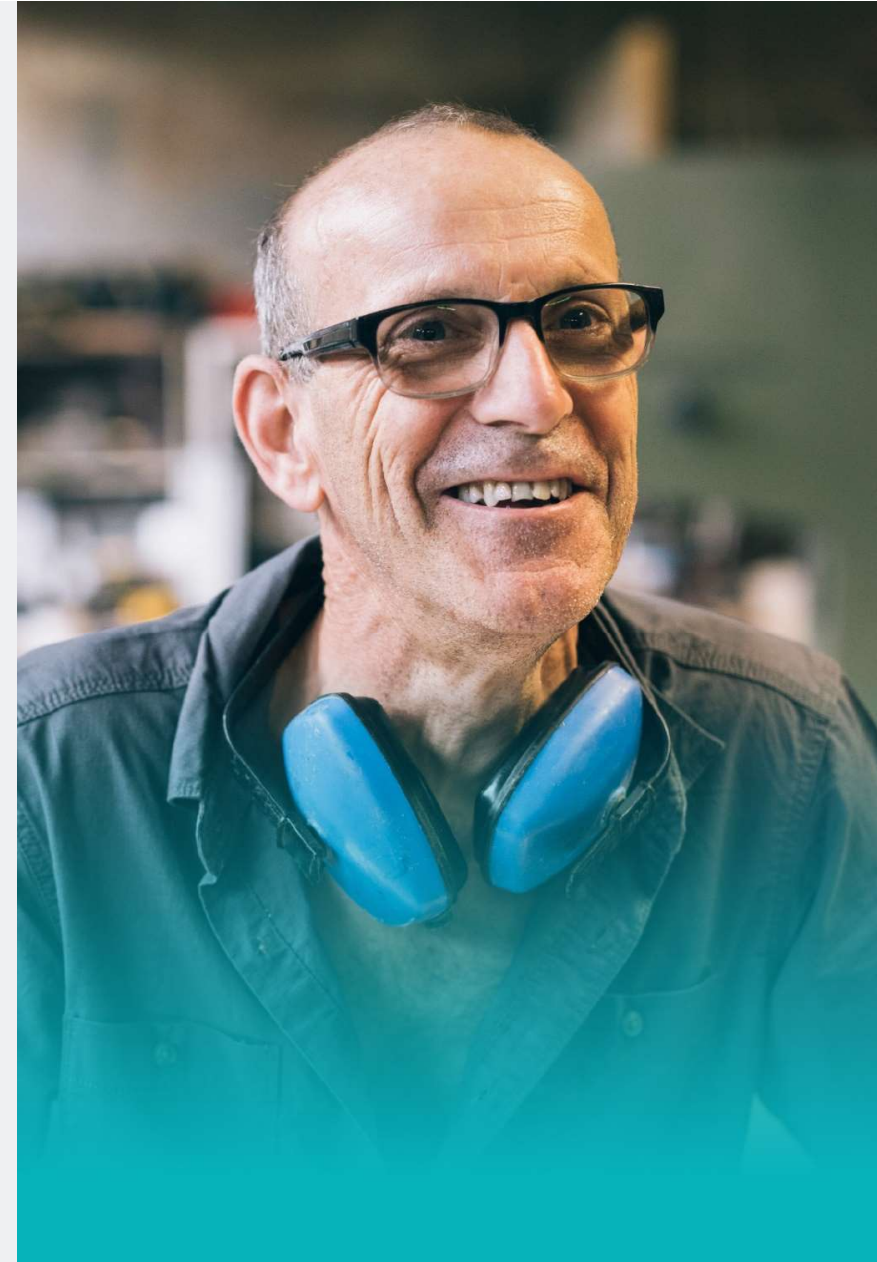
Late payments

- FSB research found that if late payments had been made on time and as promised, 50,000 business closures could be avoided each year
- Many of our members are saying that larger companies are sending their own Ts and Cs for 60 or 90 days as standard
- This is a serious roadblock to growth/investment and hindering productivity due to time spent chasing late payments



Sustainability

- FSB estimates over 350,000 (28%) of small businesses may be forced to shrink, restructure or close due to no continuation of energy bill support
- Many are putting any profits previously set aside for energy efficiency changes to simply keep the lights on



Summary

- Local Authorities across the UK are being encouraged to sign FSB's Local Authority Pledge
- Essex County Council could be the first in the county



fsb^{essex}

Website:

fsb.org.uk

Twitter:

[@FSBEssex](https://twitter.com/FSBEssex)



CONFEDERATION OF BRITISH INDUSTRY (CBI)

Richard Holdaway



National trends & growth opportunities

Richard Holdaway
Associate Director
CBI East of England



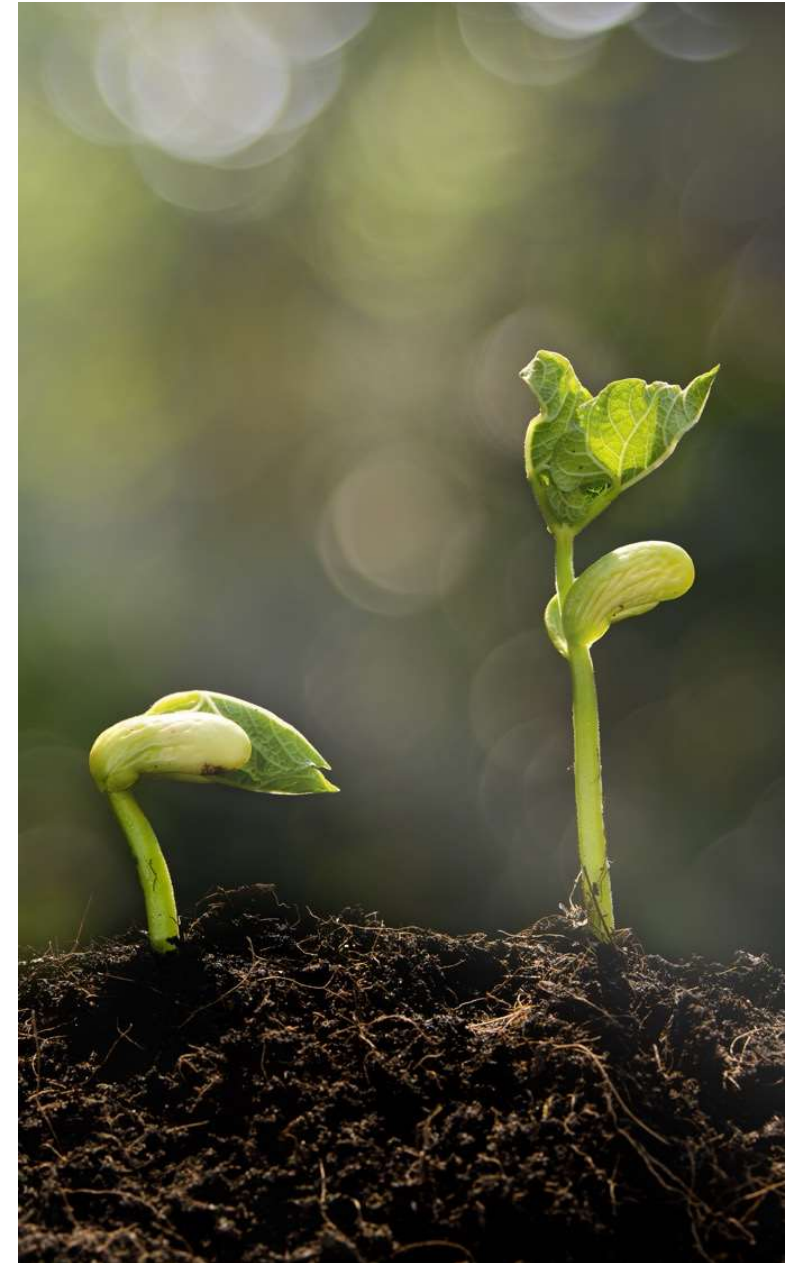
About the CBI

The Headlines

- Founded in 1965 by Royal Charter
- Offices in London, Beijing, Brussels, New Delhi & Washington DC
- 10 UK regional offices
- We speak for 190,000 businesses, employing 7 million people - about one third of the private-sector workforce
- Over 100 economic and policy specialists
- Market leader in economic surveys and forecasts

A reminder of how we got here

- Strong post-Covid recovery driven by surge in pent up demand
- Huge supply side challenges as global economy struggles to keep pace....
- driving inflation since early 2021
- Gas price inflation starts mid 2021, exacerbated by Ukraine invasion in 2022
- Bank of England chasing 2% target raises interest rates 10 times in 14 months
- 1m people left the labour market since Covid and now 'economically inactive'



East of England economy

- 4th most prosperous English region with GVA > £150bn
- Approximately 10% of UK firms based in East of England
- Just under 10% of England's total GVA
- Strong employment growth pre-pandemic, 45 years from 1971, grew from 1.84m to 3.1m (3rd highest rate across English regions) (Source: Cambridge Econometrics)
- Freeport East sign off

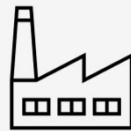


Sector performance: January 2023



Retail

- Unexpected rise in sales in year to December 2022
- Anticipation that this will fall back in year to January 2023
- Online sales fell in year to December 2022
- Business rate freeze welcomed



Manufacturing

- Output flat but cost and price inflation ease to lowest pace since 2021
- Rising output in the mechanical engineering and food, drink & tobacco sub-sectors
- Offset by falls in chemicals, metal manufacturing and motor vehicles & transport equipment.



Sector performance January 2023



Services

- Services business volumes declined in the three months to January, at a faster pace than in the three months to December
- Steep decline in consumer services largely responsible.
- Next three months, decline is expected to slow across both consumer services and business & professional services



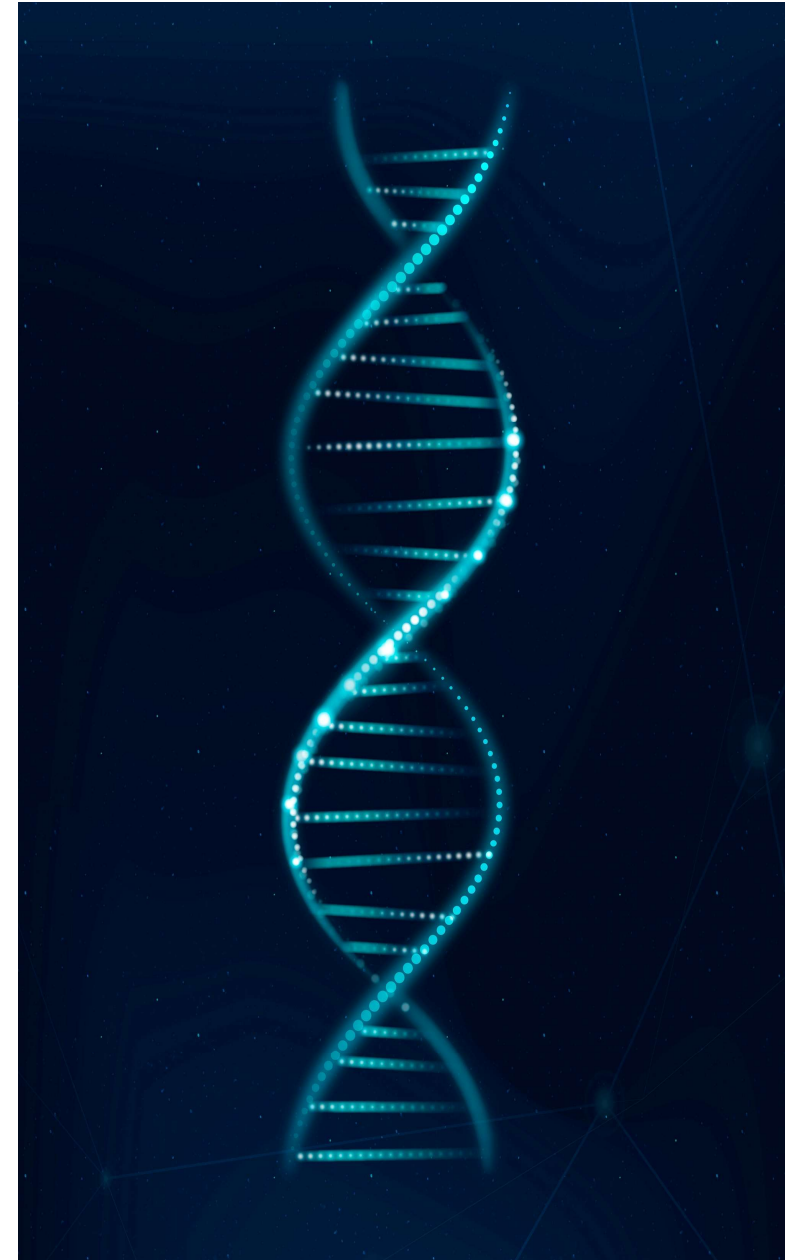
Construction

- Latest monthly construction output data 3.1% (£452 million) above the February 2020
- But growth flattening
- Driven by slowing in new build housing and house repair & maintenance
- Availability and price volatility of raw materials stabilizing



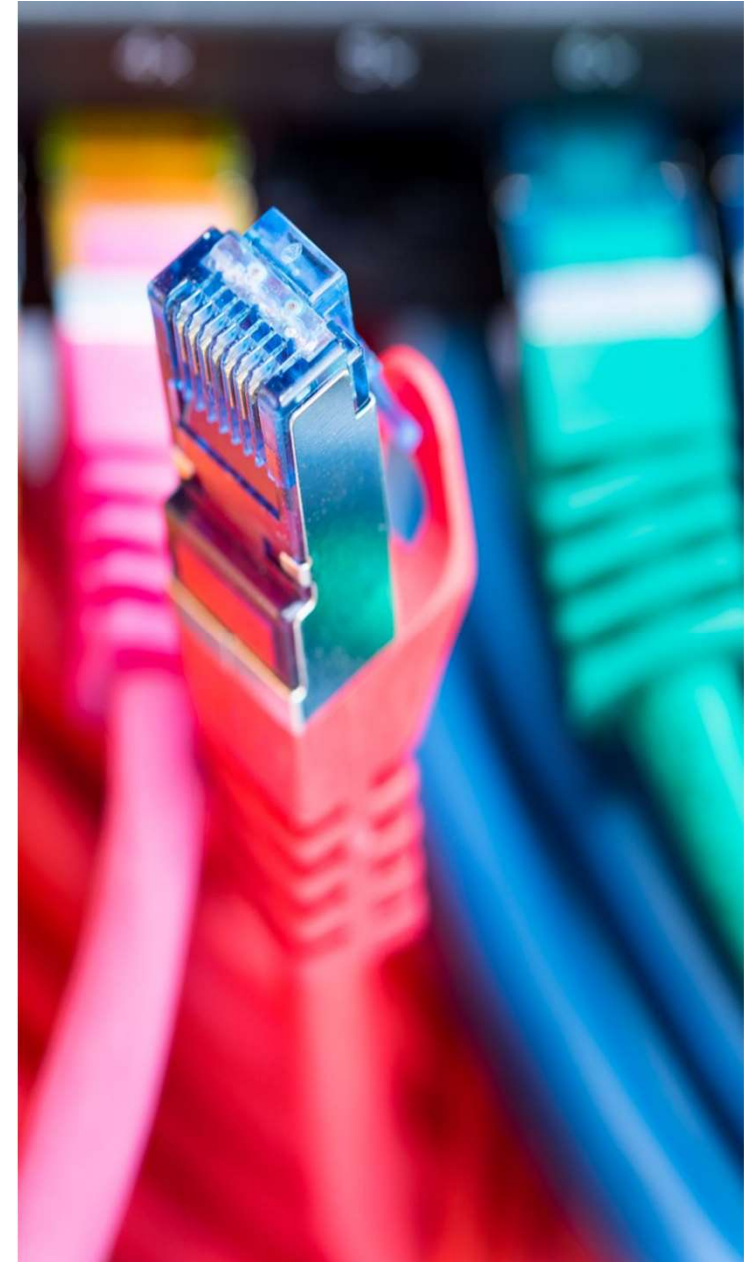
East of England driving future UK growth

- Life sciences
- Advanced manufacturing & materials
- Clean energy
- University of Essex
- “Network of dynamic knowledge corridors”
- 10% of total UK Professional, Scientific & Technical firms



Policy supporting growth

- Policy certainty and clarity
- Business confidence
- CBI continue to call for:
 - Address labour market activation and skills shortages
 - Reform of the Apprenticeship Levy
 - Unlock business investment through the tax system
 - Unleash green markets and energy resilience
 - East-West Rail delivered in full
 - Support of the Lower Thames Crossing



CBI Thriving Regions work programme

- **Economic clusters** – launched interactive best practice manual for cluster development
- **Rural & Coastal economies** – identifying and unlocking policy barriers to growth
- **Green growth & decarbonisation** – restoring the UK's first mover advantage
- **Investment zones** –innovation, research, development & commercialisation led
- **Improving connectivity** - road, rail, sustainable aviation & shipping and digital
- **Skills and talent development** – working with Local Skills Improvement Plans (LSIPs)
- **Devolution** – working with current MCA's and future county deals



Thank you

For further information, contact:

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cbi.org.uk

CHARTERED ACCOUNTANTS IN ENGLAND AND WALES (ICAEW)

Meghan Doyle and Simon Gray