

THE HIGHLAND COUNCIL

PLANNING, ENVIRONMENT AND DEVELOPMENT COMMITTEE

20 May 2009

Agenda Item	17
Report No	PED 47/09

BUSINESS GATEWAY

Report by Director of Planning and Development

SUMMARY

This report seeks to update Members on the commencement of the Business Gateway service.

The introduction of this service is directly supportive of the Council's Administration Programme commitment to *"work with the Scottish Government, the business community, HIE and the third sector to promote business growth including more local businesses and social enterprises through the establishment of Business Gateway by 2009 and other Council support"*.

1. Update

1.1 Members will recall from the March 2009 PED Committee report that a number of issues needed to be addressed before the Business Gateway service, at both the national and local levels, was ready to be launched on the 1st April 2009. After focussed effort by all involved at the local and national levels these outstanding issues were resolved and the Council took over responsibility from HIE for the Business Gateway related advisory services on 1st April 2009. To date (8 May 2009) the Business Gateway service has now dealt with 162 referrals in Highland and another 82 referrals in Moray. Two training events have taken place in Inverness and others are planned to take place in Dingwall, Skye, Lochaber, Sutherland and Caithness during May and June. The majority of support requested to date has been for start up business advice.

1.2 A brief overview of the decisions reached/current situation are detailed below:

1.3 National Core Services

- Scottish Enterprise have entered into a Partnership Agreement with CoSLA to deliver the core services of website, Enquiry Service (Enquiry Fulfilment and Research Service) and supporting CRM system.
- Marketing and Performance Management will transfer from Scottish Enterprise to COSLA – estimated transfer date July 2009.
- Interim arrangements are in place to enable the Enquiry Service and Website to provide a service for Highlands and Islands business clients. These arrangements will be replaced once the CRM system is in place – estimated early June 2009.
- CoSLA and the Scottish Government are currently agreeing new national governance, strategic and operational management structures to oversee the service.

1.4 Local Business Gateway Service

- A contract has been finalised and signed with Highland Opportunity Ltd. (HOL) for the delivery of the Business Gateway service in the Highland and Moray Council areas.
- Five staff (three from HIE and two from HIE's contracted supplier, Development Partners Ltd.) have been transferred to HOL under the TUPE Regulations.
- HOL have recruited the five extra staff required and have entered into contracts with retained Business Advisors and the Workshop provider.
- The Business Gateway 'shop' on Castle Street, Inverness has been fitted out and is the operational base for the service and main 'walk-in' public reception office.
- Promotional events have taken place in Inverness and Thurso with the local Chambers of Commerce and arrangements made with Fusion – the business network organisation, to promote the service at three business conferences in Kinlochleven, Staffin and Thurso.
- All Council Service Points and Service Centre staff and HIE area staff have received information and a briefing on how to deal with Business Gateway enquiries.

1.5 Shared Service with The Moray Council

- A Service Level Agreement has been signed with Moray Council.
- The first Partnership Board meeting is to take place on the 21 May 2009 with Cllr. Ross representing the Council as agreed at the March PED Committee.

2. Future Activity

2.1 Once the core services are fully operational for the Highlands and Islands and the outstanding issues around the national marketing budget have been resolved between CoSLA and the Scottish Government, it will be possible to further increase awareness of the service amongst the business community via marketing and through direct contact with business associations and networks.

3. Governance

3.1 Governance responsibility for the Business Gateway service rests with the PED Committee. To this end it is proposed that the PED Committee will be provided with quarterly reports on performance of the service and asked to consider and approve an annual operating plan, including any changes of contract required.

3.2 As considered and approved at the March 2009 PED Committee, a joint Partnership Board with Moray Council will also meet quarterly to:

- (i) Monitor contract compliance and performance management
- (ii) Review the Service Level Agreement and Annual Operating Plan
- (iii) Monitor service delivery against the National Core Services and Minimum Standards.

While in practice this Board will offer regular and detailed scrutiny of the service provided, it will not replace formal Committee scrutiny.

3.3 Clearly also, while not part of the Council's formal governance role, the Council via its appointment of elected Members as Directors of the HOL Board, will have an input to HOL operational matters and performance of contract delivery.

4. Conclusion

4.1 The Business Gateway service became operational in Highland on the 1st April 2009. In practice this means that individuals who are interested in starting up in business or existing businesses looking for advice, are able to access the service at the national level through the website or via the Contact Centre or locally via the Service Point network or direct with Highland Opportunity Ltd.

4.3 While interim arrangements are in place for the national core services it is anticipated that these core services will become fully operational in early June. This together with the national marketing arrangements will enable the service to become more widely marketed to new and existing businesses.

5. Resource Implications

5.1 There are three aspects to the resource implications of Business Gateway:

- (i) It has now been agreed that the Highland Council will secure £882k of the £1.97m to be transferred from HIE. This is a revised and lower sum (-£18k) from the figure reported to Committee in March 2009 as an additional cost associated with the website needed to be first reduced from the HIE transferred sum.
- (ii) HIE will reimburse the Council for the one-off establishment costs.
- (iii) The cost of the core services will be provided at no cost to local government and additional funding for certain aspects of national marketing once finalised, will be transferred to local government.

6. RECOMMENDATION

6.1 The Committee is recommended to:

- (i) Note the arrangements put in place which enabled the Business Gateway service in Highland to be launched on 1st April 2009.
- (ii) Approve the presentation of quarterly performance reports and an annual operating plan to future PED Committees.

Signature:

Designation: Director of Planning and Development

Date: 12 May 2009

Author: Andy McCann, 01463 702260