The Highland Council

Agenda Item	**11**
Report No	**ECI/44/26**

Committee: **Economy and Infrastructure**

Date: **12 November 2026**

Report Title: **Business Gateway Highland: Annual Performance and Delivery Update 2025/26**

Report By: **Assistant Chief Executive - Place**

1 Purpose/Executive Summary

1.1 The purpose of this report is to provide Members with an update on the performance and delivery of Business Gateway Highland during 2025/26 and to highlight its contribution to business start-up, business growth and economic resilience across Highland.

1.2 Business Gateway is Scotland's national business support service and is delivered locally by local authorities across Scotland. Within Highland, the service is delivered by The Highland Council as part of the Economic Development and Regeneration Service and provides support to people considering self-employment, new business start-ups and existing businesses seeking to grow, adapt and become more resilient. Business Gateway Highland plays a central role within Highland's wider economic development landscape and acts as the Council's principal business support service for businesses across the region.

1.3 Business Gateway Highland plays an important role within the Council's wider economic development activity and is often the first point of contact for individuals and businesses seeking support. The service provides a gateway into business support, helping people start businesses, supporting existing businesses to develop and grow, and connecting businesses to specialist advice, funding opportunities and partner organisations where appropriate. The service also provides an established delivery mechanism through which wider economic development programmes and interventions can be delivered.

1.4 During 2025/26, Business Gateway Highland supported more than 2,000 businesses and individuals, assisted 380 new business start-ups, delivered over 500 growth interventions to existing businesses and administered approximately £245,000 of Business Start-Up Grant support through the UK Shared Prosperity Fund. Customer satisfaction levels continue to exceed Scottish averages, demonstrating the value of the service to businesses across Highland. In a challenging economic environment, Business Gateway remains an important mechanism through which the Council supports entrepreneurship, business growth, economic resilience and local prosperity.

2 Recommendations

2.1 Members are asked to:-

i. Note the performance of Business Gateway Highland during 2025/26;
ii. Note the contribution made by the service towards supporting business start-up activity, business growth and economic resilience across Highland;
iii. Note the role of Business Gateway Highland as the Council's principal business support service and its contribution to wider economic development and business growth across Highland; and
iv. Agree that officers continue to work with the Business Gateway National Unit, COSLA, Highlands and Islands Enterprise and other partners to maximise business support opportunities and external funding available to Highland businesses

3 Implications

3.1 **Resource** - Business Gateway Highland operates within approved staffing and operational budgets. The reported performance has been delivered by a relatively small team supporting businesses across the Highland area, reflecting both the scale of demand for the service and the geographical challenges associated with delivering support across a large and diverse region.

The core advisory service is delivered through the Economic Development and Regeneration Service budget. The scale and nature of grant programmes, specialist interventions and other enhanced activity may vary over time depending on the availability of external funding and wider economic development resources.

3.2 **Legal** - There are no direct legal implications arising from this report.

3.3 **Risk** - Businesses continue to face a range of economic challenges including inflationary pressures, labour market constraints, changing market conditions and wider economic uncertainty.

Changes in the availability of external funding may also affect the scale and nature of grant programmes and enhanced business support interventions delivered through Business Gateway.

3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – There are no Health and Safety implications arising directly from this report.

3.5 **Gaelic** - Business Gateway Highland continues to ensure that services remain accessible across Highland communities and supports the Council's wider Gaelic commitments where appropriate.

4 Impacts

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

4.3 This report is a performance and monitoring update and, therefore, a full Integrated Impact Assessment is not required.

5 Business Gateway Highland Performance 2025/26

5.1 Business Gateway is Scotland's national business support service and provides advice and support to people considering self-employment, new businesses and established businesses.

Within Highland, the service is delivered directly by The Highland Council and is the Council's principal point of contact for business support. The service provides one-to-one business advice, business planning support, workshops, webinars, digital support and referral to specialist assistance where required.

Fundamentally, Business Gateway is an advisory service. Its core offer focuses on supporting people to start businesses, helping existing businesses achieve their ambitions and improving access to business support. Alongside this core role, Business Gateway Highland also delivers a range of locally funded and externally funded initiatives, including grant programmes and specialist support activity where resources are available. Grant funding and externally funded interventions may be delivered through or alongside the service, but they are not the service itself.

Business Gateway Highland works closely with a range of partners, including Highlands and Islands Enterprise and other public sector business support organisations, helping businesses access the right support at the right stage of their development. The service also provides an established delivery mechanism through which wider economic development programmes can be delivered, including interventions supported through the UK Shared Prosperity Fund.

Business Gateway Highland is delivered through a small geographically distributed team comprising a Business Gateway Manager, five Area Business Advisers and a dedicated Start-Up Co-ordinator. Advisers provide coverage across Lochaber, Skye and Lochalsh; Inverness; Badenoch and Strathspey/Nairn; Sutherland and Ross-shire; and Caithness and North Sutherland, ensuring businesses can access locally informed support across one of Scotland's largest and most geographically diverse local authority areas. The adviser team combines local knowledge with specialist expertise, supported by digital delivery channels including webinars, online learning resources, podcasts and website-based support tools.

The scale of demand placed upon the service is significant. Whilst 2,063 businesses were supported during 2025/26, many businesses receive multiple interventions over an extended period, including diagnostic support, one-to-one advisory sessions, business planning assistance, referrals to specialist programmes and follow-up engagement. Consequently, actual adviser activity is substantially greater than headline client numbers alone may suggest.

During 2025/26, the service delivered a significant volume of business support activity across Highland through a combination of face-to-face engagement, online delivery and outreach activity. Key performance information is set out below.

5.2 Data Sources and Methodology
Unless otherwise stated, Business Gateway performance data contained within this report has been sourced from the Business Gateway National Unit performance reporting system and Business Gateway CRM records for the period 1 April 2025 to 31 March 2026. Benchmarking information reflects comparative data published by the Business Gateway National Unit for all Scottish Business Gateway contract areas. Customer satisfaction data is derived from independent national Business Gateway customer research commissioned by the Business Gateway National Unit.

6 Benchmarking Performance

6.1 Whilst the activity levels reported above demonstrate the scale of support delivered by Business Gateway Highland during 2025/26, benchmarking against other Business Gateway contract areas provides additional context on performance.

Business Gateway Highland supported 380 new business start-ups during 2025/26, a level of activity comparable to Aberdeenshire (382) despite serving a significantly more rural and geographically dispersed area. Start-up activity also substantially exceeded the levels recorded in Argyll and Bute (147), Moray (72), Orkney (54) and Shetland (62). On a population-adjusted basis, Highland achieved 25.99 start-ups per 10,000 working-age residents, performing above a number of larger local authority areas including Aberdeen City, Edinburgh and Glasgow.

Business Gateway Highland also handled 2,063 enquiries during the reporting period. Comparative data indicates that Highland records a high level of customer engagement relative to other Business Gateway contract areas when measured on a population-adjusted basis, reflecting both strong demand for business support services and the ability of the service to engage businesses and prospective entrepreneurs across one of Scotland's largest and most geographically dispersed local authority areas.

Taken together, the benchmarking information from the Business Gateway National Unit comparative performance dataset 2025/26 demonstrates that Business Gateway Highland continues to perform strongly relative to many other Business Gateway areas across Scotland and delivers business support activity at a significant scale across the Highlands.

7 Start-Up Support and Business Growth Support

7.1 Supporting entrepreneurship, business creation and business growth remains at the heart of the Business Gateway service.

During 2025/26, advisers engaged with 473 individuals considering starting a business, resulting in 380 new business start-ups across Highland.

Business Gateway Highland awarded 263 Start-Up Grants during the year, distributing approximately £245,000 of UK Shared Prosperity Fund support to new and growing businesses across Highland. The grants helped businesses overcome some of the challenges associated with business creation and early-stage growth.

Alongside support for new businesses, the service delivered 532 growth interventions to existing businesses. Support included business planning, access to finance, market development, digital adoption, operational improvement and business growth planning.

A further six businesses received specialist consultancy support in areas including intellectual property, procurement and human resources.

Whilst grant funding can play an important role in supporting enterprise and growth, the principal purpose of Business Gateway remains the provision of business advice, guidance and support to businesses at all stages of development. The service also continued to work closely with partner organisations to ensure businesses were able to access specialist support, investment opportunities and wider business development assistance where appropriate.

8 Events and Digital Engagement

8.1

Activity	Delivered	Attendance
Start-Up Webinars	165	633
Growth Webinars	51	159
Digital Webinars	174	652
Local Business Events	3	745

Overall attendance across events, webinars and business engagement activity exceeded 2,100 participants.

These activities provided businesses with access to practical advice, peer learning opportunities and specialist knowledge covering topics such as business start-up, digital adoption, marketing, finance, business growth and emerging technologies. The programme also helped businesses improve skills, strengthen resilience and respond to changing economic and market conditions.

9 Customer Satisfaction and Future Priorities

9.1 Independent national customer research from Business Gateway National Customer Satisfaction Survey 2025/26 continues to demonstrate strong levels of customer satisfaction within Business Gateway Highland.

Measure	Scotland Average	Highland
Overall Satisfaction	79%	88%
Benefit to Business	83%	88%
Likelihood to Recommend	77%	86%

Business Gateway Highland continues to perform strongly, with customer satisfaction levels exceeding Scottish averages across all key measures. This reflects the quality of support provided by the service and the positive contribution it continues to make to businesses and entrepreneurs across Highland.

Benchmarking information included within this report indicates that Highland performs strongly in comparison with many other Business Gateway contract areas across Scotland. Business Gateway Highland supported 380 business start-ups during the year, a level of activity comparable to Aberdeenshire and significantly higher than that recorded across a number of other rural and island local authority areas. Together with customer satisfaction levels that exceed Scottish averages across all key measures, this provides assurance that the service continues to deliver effective and valued support to businesses across Highland.

Whilst performance remains strong, businesses continue to face a range of challenges including economic uncertainty, workforce pressures, rising operating costs and changing market conditions. At the same time, opportunities continue to emerge through innovation, digital adoption, productivity improvements and the increasing use of digital technologies.

The conclusion of UK Shared Prosperity Fund support has created uncertainty regarding the future availability of some grant funding and enhanced business support interventions. However, Business Gateway remains fundamentally an advisory service and will continue to support business start-up, business growth and business resilience through its core service offer.

Future priorities will include supporting entrepreneurship, business growth, innovation, digital adoption, access to finance and economic resilience across Highland. Officers will continue to work closely with the Business Gateway National Unit, COSLA, Highlands and Islands Enterprise and other partners to maximise opportunities for Highland businesses and secure additional resources where these become available.

Through its combination of locally delivered support and access to regional and national expertise, Business Gateway Highland remains well placed to support businesses in responding to future challenges and opportunities and to contribute to sustainable economic growth across the Highlands.

Designation:	Assistant Chief Executive - Place
Date:	18 October 2026
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Background Papers:	None
Appendices:	None