

Integrating Business Link with the Regional Economic Strategy

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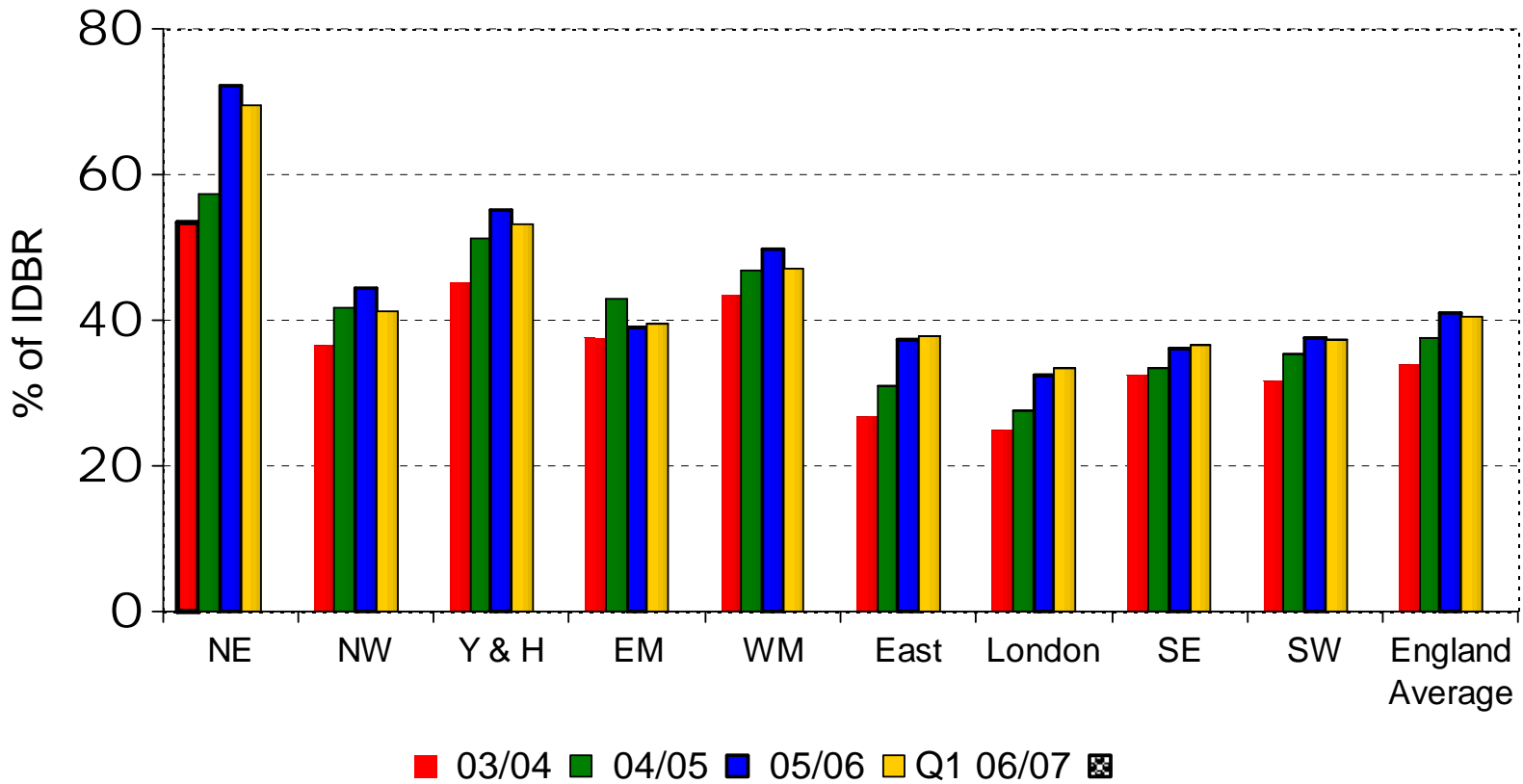
One NorthEast

- Background
- Rationale for change
- The model
- Future challenges and issues

Background



- Inherited existing contracts from April 2005
- Legal advice re tender/ view from elsewhere
- Opportunity to address major issues
- Initiated tender process Autumn 2005
- Coalition announced as successful tenderer June 2006
- Transition underway
- New service in place from April 2007



Why change?



RES requires
shifts in productivity
and new businesses

Light touch support
First come first served

High volume
High satisfaction

Low intensity
Low expectation

Some co-ordination
at sub-regional level

Little regional
co-ordination

Sub-regional back
office
structures

Potential for regional
savings

Why change?



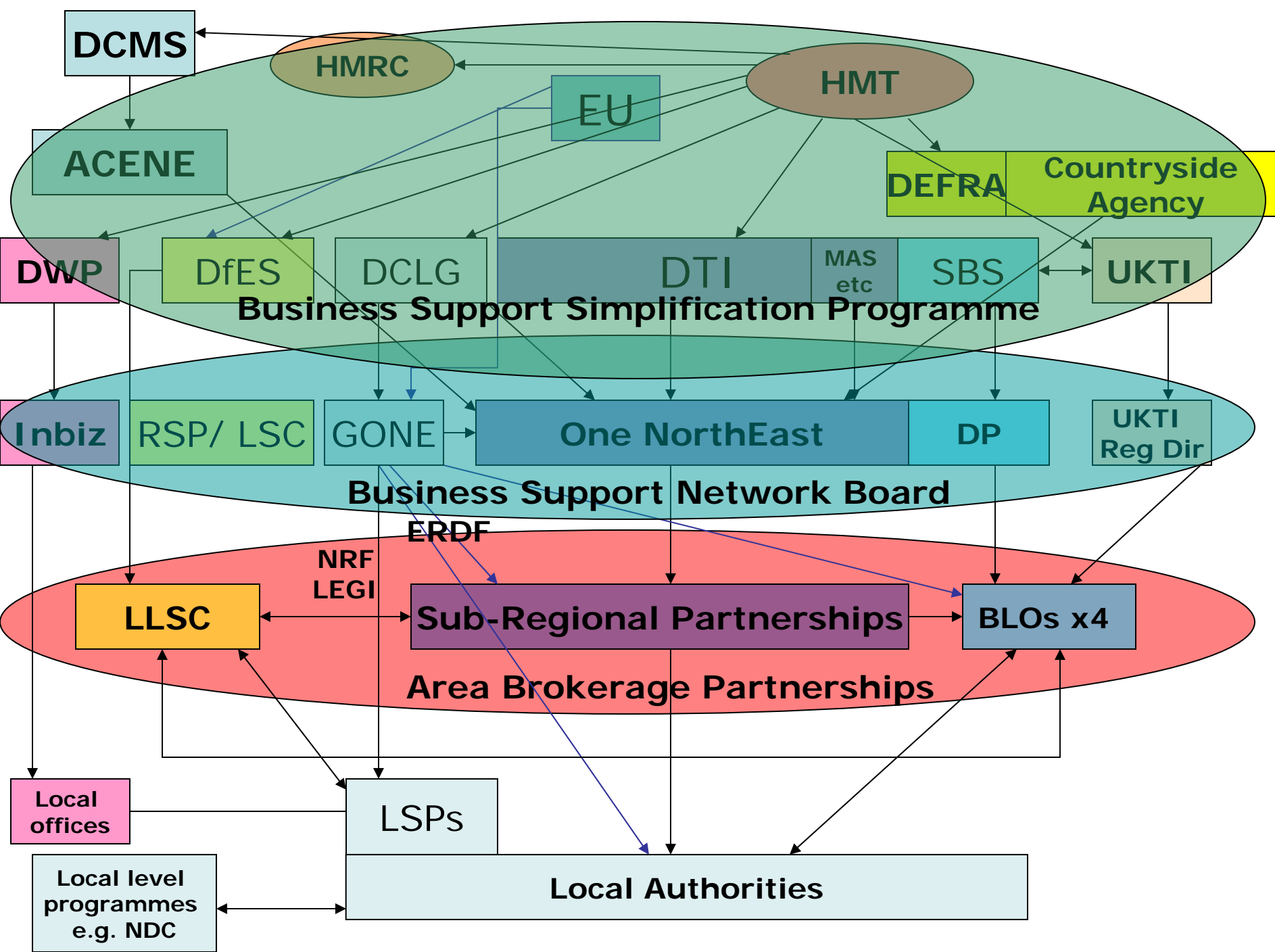
In other words:

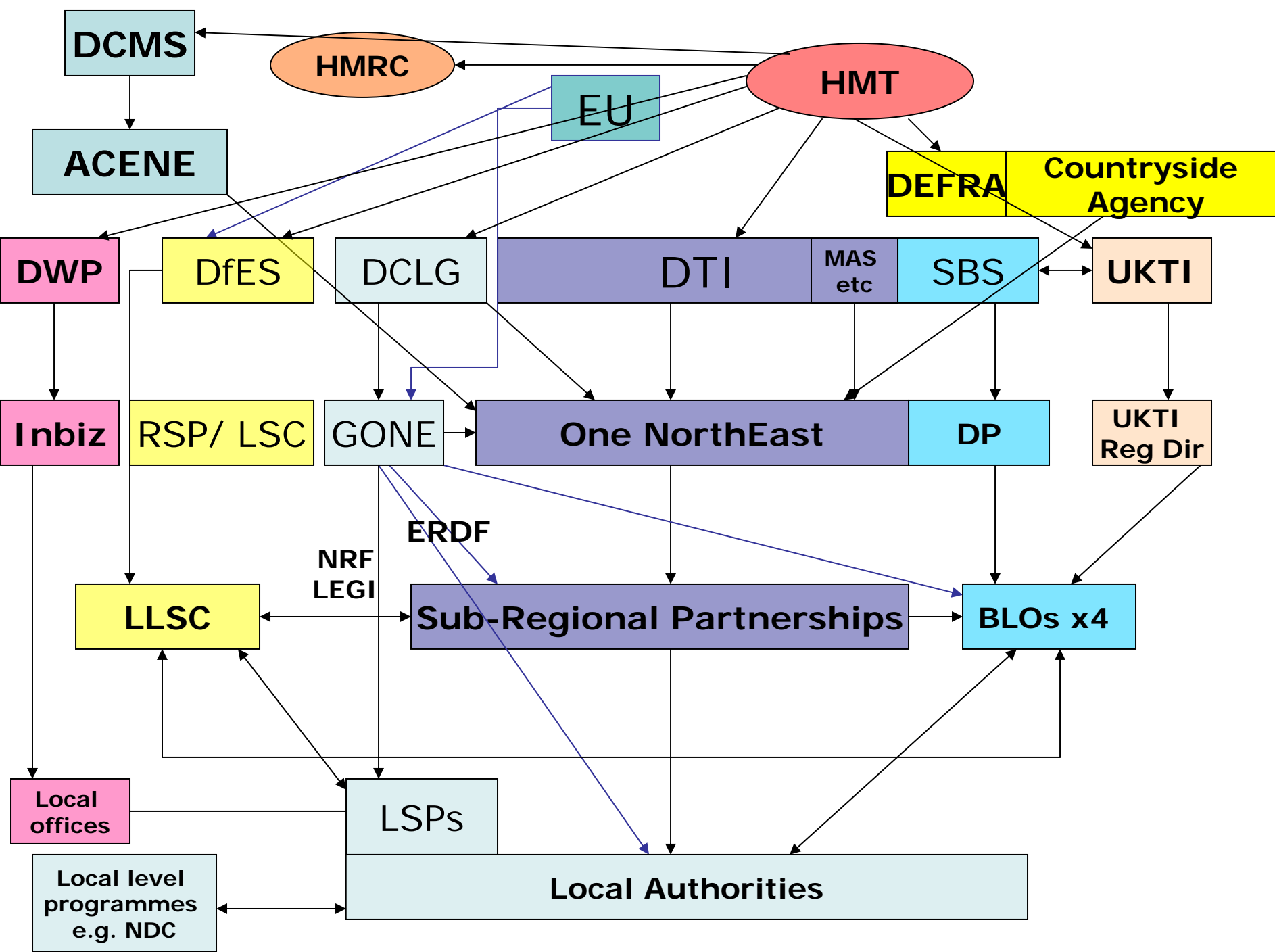
- A consistent service
- A more efficient service – more resource to the frontline
- Improved co-ordination/ simplification
- Greater demonstrable impact on the regional economy

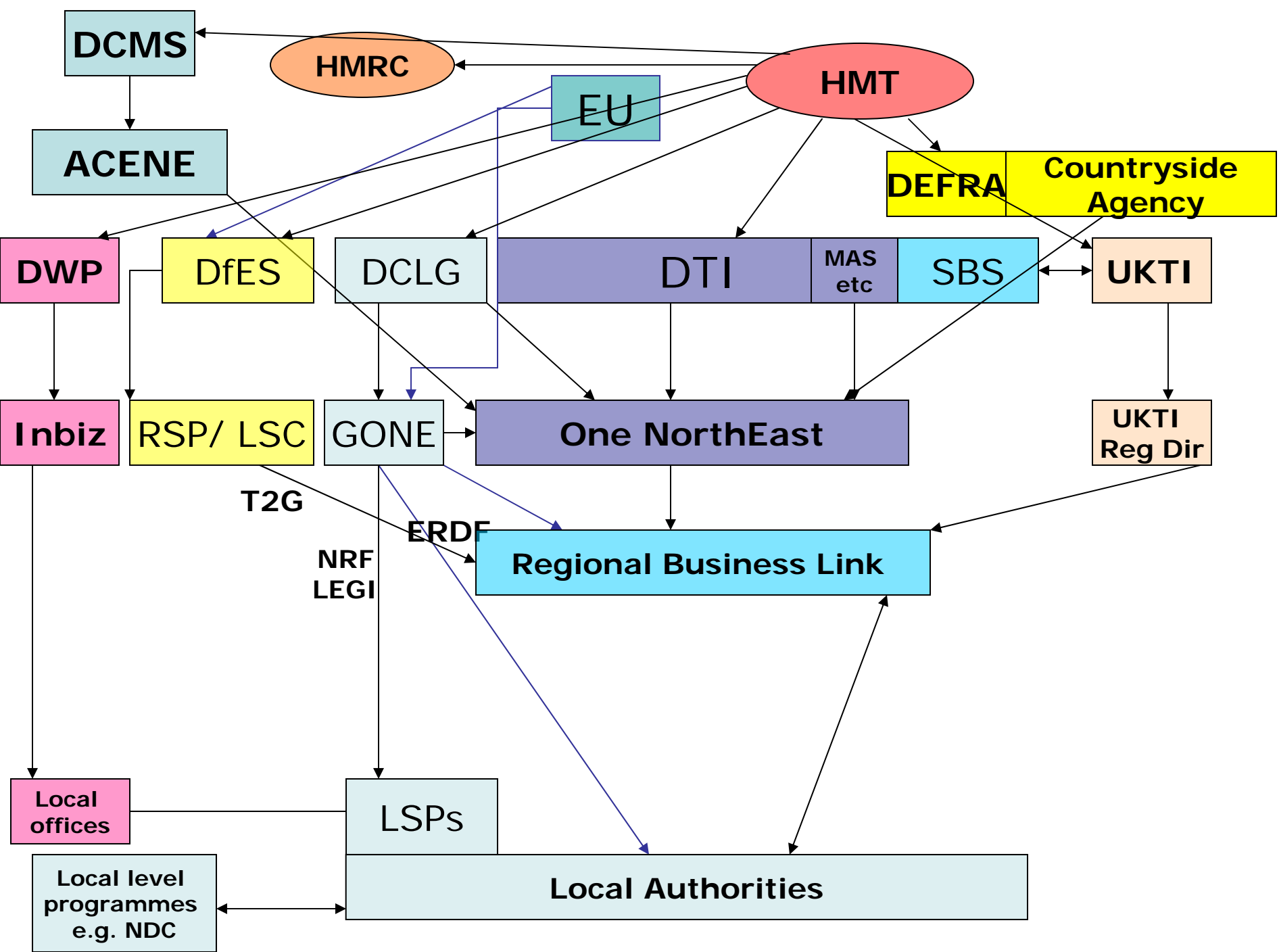
Consistency/ efficiency



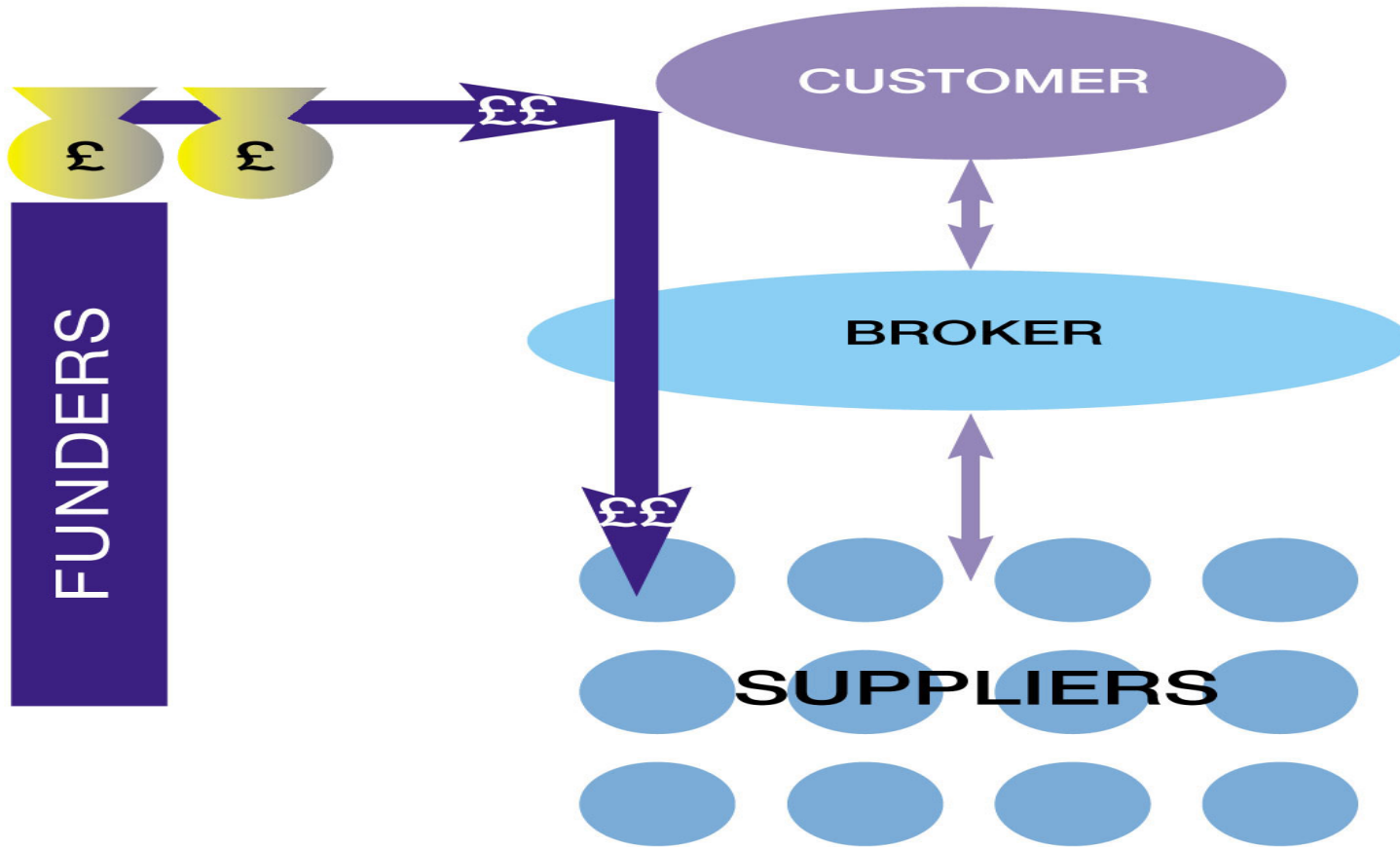
- From 4 operators to 1
- From 7 Single Programme and 8 ERDF funding streams to 1
- One Board, CX, FD etc
- Service definition driven by client need rather than sub-regional boundary
- Opportunity for *greater* local targeting
- Co-ordination and simplification a major challenge.....







The brokerage model



The model (2)



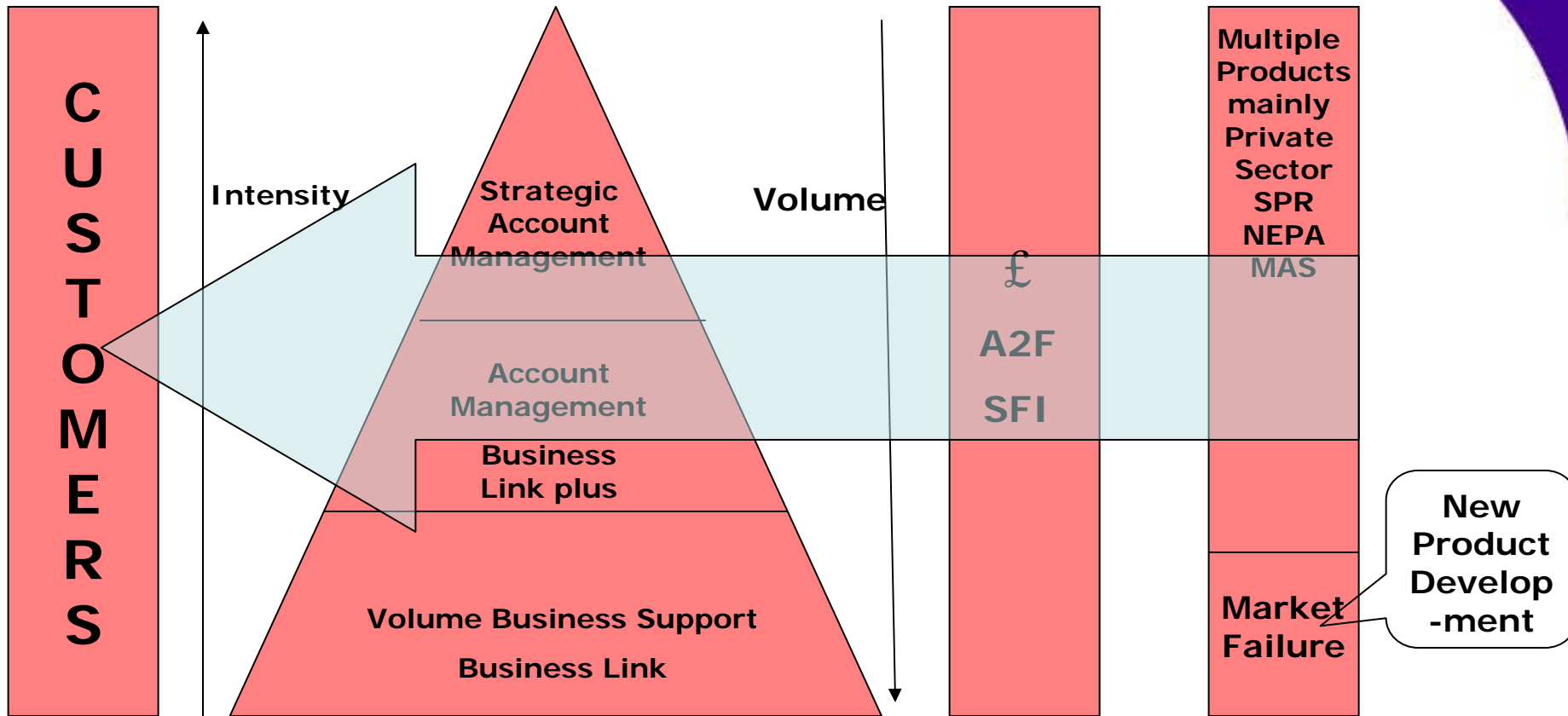
Strategic Action Plan for Business Support

Networks

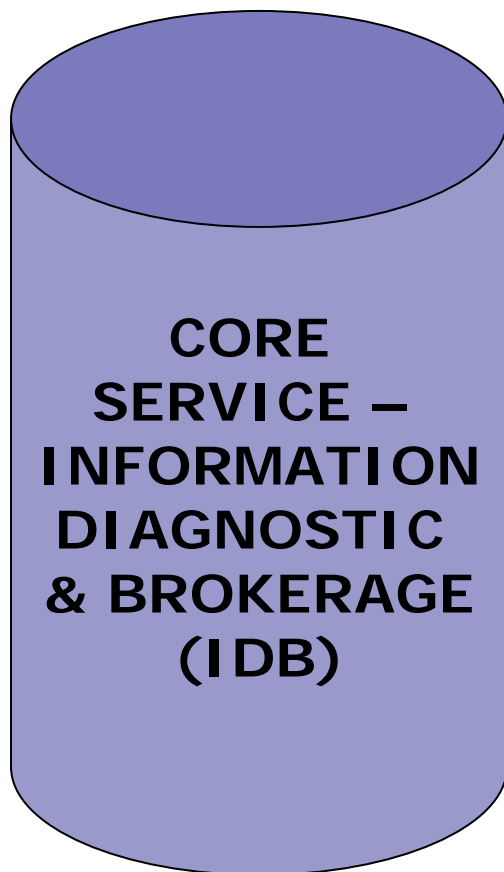
Account Management

Funding

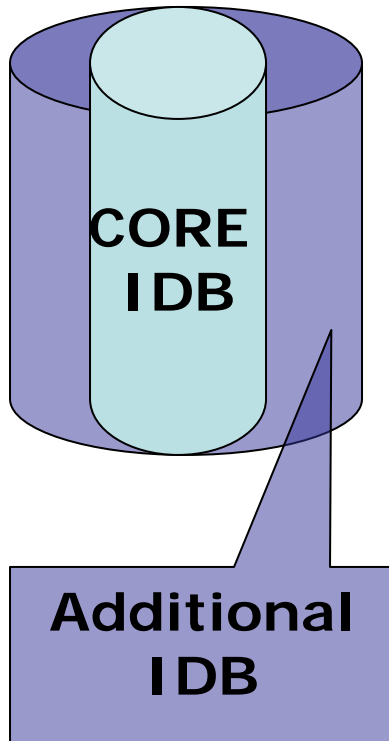
Products



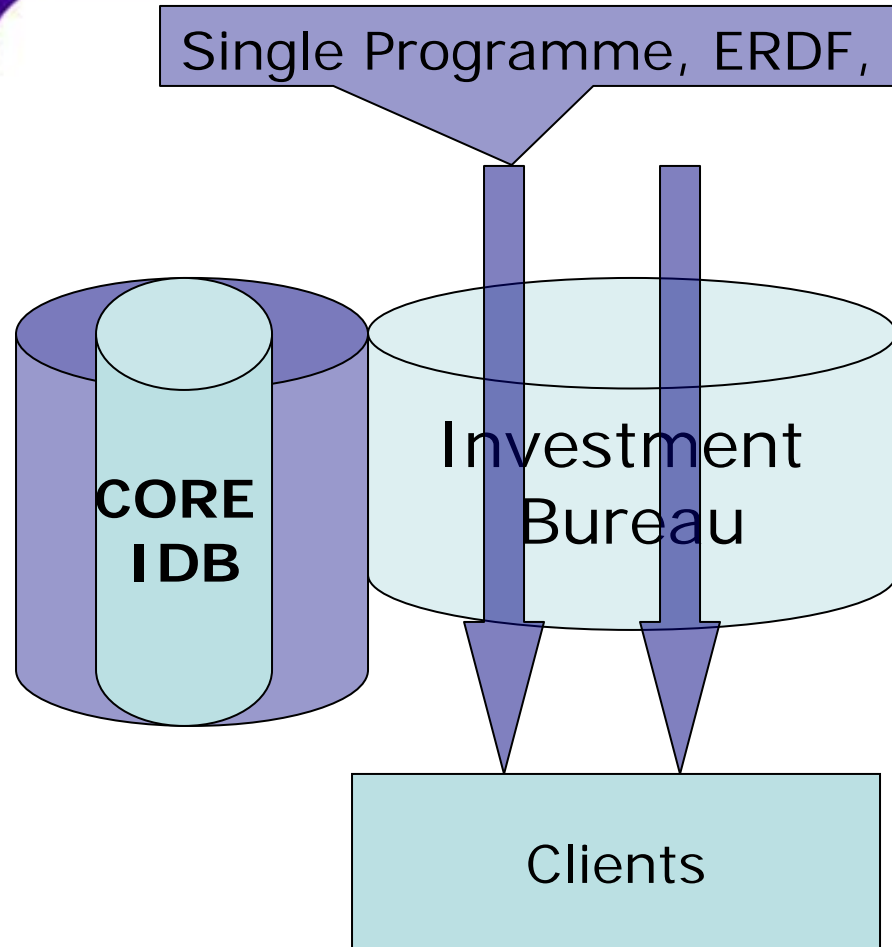
What will it look like?– Core Service



- £6 million per annum
- Highly efficient service wherever you are in the region
- Much more intensive support available
- Higher, more demonstrable impact



- Additional Start-up development and support
- Targeted additional services including
 - sector specialists
 - Subject specialists e.g. ICT
 - Support for target groups
- Sit with partner organisations including ONE
- As required on a Case by case basis
- Likely to change over time as segmentation is refined



- Money for business clients largely allocated based on impact
- Minimal administration for small amounts
- Panels for larger amounts based on return on investment
- Aligned with SFI etc to be an effective one stop shop

- Successful transition
- Client expectation/ maximise impact
- National Business Support Simplification
- LAAs/ LEGI
- Co-ordinated approach vs monopoly provider