

**BUSINESS GATEWAY MORAY  
PERFORMANCE REPORT**

**Quarter 4**

**1 January to 31 March 2017**

**MORAY**  
COUNCIL

 **business**  
**gateway**  
your gateway to business expertise

## Quarter in Review

This report is an overview of Quarter 4 Business Gateway activity in Moray. Overall, enquiries were up this quarter with January making it a particularly busy start to 2017. This activity has resulted in a high number of start-up businesses recorded during Q4, with Business Gateway supporting 132 new ventures in the year ended 31 March 2017 – (our target for 2016/17 being 120)

A heartening number of established businesses continue to show growth aspirations - they are looking to increase their market share and target markets out with Moray and into the wider UK and Europe. Enquiries from these existing businesses and companies with potential to grow come from a wide variety of sectors and BG Moray will continue work with these businesses to help them achieve their growth ambitions through one-to-one advice and one-to-many workshops and programmes. Collaborations with our key stakeholders to ensure Moray businesses are supported at all stages in their development remains a priority. We have had planned meetings this quarter with delivery partners including HIE, Elgin BID Moray Chamber of Commerce to discuss our approach to delivering support - where possible collaboratively.

The newly launched Local Growth Accelerator Programme (LGAP) was introduced on 6 February 2017 with Specialist Advice and HR support being implemented first. Growth workshops have been procured and are now going to a mini-competition between the successful providers to ensure best value and best fit is found for both BG and the business client. The 'Sector Specific Entrepreneurial Programme' will be developed and delivered over the next 12 months with 3 sectors identified by the BG Moray team as key to the Moray economy – Food & Drink; Construction and Creative Industries.

Regeneration of our High Streets given the economic climate is still challenging, but there have been a number of new businesses starting up and taking premises and some business purchases happening in Moray recently which will result in jobs being created as well as retained in the area. We have been working hard to support local entrepreneurs who will take premises in Batchen Street in Elgin by the end of Q1 in 2017/18. This has resulted in leases being signed on 4 premises on that street alone which leaves only Matheson's Stores which is closing shortly due to the owner's retirement (there have been some initial enquiries about this building via Elgin BID so we are hopeful that it will not be vacant for long).

## Some good news stories in Q4

### Bean and Gone – Elgin

*This business was first established in 2015 but the owners put the premises up for sale as they have had to move away from the area. This gave an opportunity for a local man to fulfil a long held ambition and take up the challenge of owning and running his own business. The establishment based at the west end of Elgin High Street has a small seating area but is primarily a take-away. The menu is mainly bistro-style with a comprehensive takeaway menu with full breakfasts and breakfast Rolls available all day. This business purchase has helped retain a popular food outlet in Elgin which employs 3 people.*



## Rustic & Roses



Following a long Naval career, Morag Ross has now invested in a florist shop in Dufftown. Formerly Floral Occasions, the business has undergone a transformation and opened as Rustic & Roses in time for Valentine's Day. Morag received support with business planning and cashflow projections from Business Gateway which led to her securing funding from the Royal Bank of Scotland for the purchase of the premises. Very much a local family business, she employs her sister and receives support from other family members during peak times. During her short time of trading she has already secured a significant contract with the Glenfiddich Distillery Estate

## ELS Stoves



A new venture based in Elgin, E.L.S Stoves specialise in the installation of domestic stoves. From traditional stoves to contemporary wood burning ones, their team is fully qualified to assist customers in choosing the right type of stove. They also provide stove maintenance services across Moray, Highland and Grampian regions

## Performance Statistics

Moray Core Service	Q4	Y to D	Target	Progress
Volume Start Ups Commenced Trading	20	132	120	110%
Higher Value Start Ups (PHVSU) engaged with	0	6	5	120%
High Value Start Ups - completed Action Plans for growth	2	7	5	140%
Attendees on Start-up Workshops	55	260	260	100%
Growth co.'s engaged with Growth Action Plans	7	31	25	124%
Companies accepted into Growth Pipeline – HIE	1	4	2	200%
Companies accepted into Account Management - HIE	0	4	1	400%
Businesses accessing local advisory services	76	321	300	107%
Moray LGAP Service	Q4	Y to D	Target	Progress
Specialist Advice				
Unique businesses assisted one to one	6	40	20	200%
HR Advisory Service				
Businesses assisted with one to one advice	8	54	18	300%
No of jobs created	14	32	18	178%

<b>Growth Workshops</b>				
Half day workshops delivered	6	30	24	125%
Unique businesses assisted	56	303	70	433%
<b>Additional Measurements</b>	<b>Q4</b>	<b>Y to D</b>	<b>Target</b>	<b>Progress</b>
<b>Local Events</b>				
Local Events	5	23	10	230%
Local Events Delegates	410	1452	110	1320%
<b>Enquiries</b>				
Total Enquiries	212	897	800	112%
Repeat Enquiries	109	401	400	100%
<b>Courses</b>				
Start Up Courses	4	30	26	115%

### Business Start Up

As reported in the overview, we have exceeded our targets for 2016/17 supporting **132 enterprises** to start up across Moray, which have been confirmed and evidenced by methodology such as HMRC/Companies House registrations and/or Business bank accounts being opened. January 2017 was particularly busy with 78 new enquiries recorded in that month alone. A total of **227 FTE jobs** have been either retained or created as at end Q4 by these start-up businesses and business purchases. Job creation and retention remains a key element of BG's KPI's.

A flavour of the type of businesses which have been supported to start up during Q4 are:

Hydroponics Food Production; Wine producer and distributor; Fibre 1 - a tier 2 wholesale Fibre Network Provider; purchase of 2 Moray guest houses and a rural convenience store; restaurants in Keith and Dufftown

### Marketing / PR

3 businesses received Q & A editorial in the Northern Scot in conjunction with BG National / Wave PR - namely Pop-Up Design based in Duffus; Moray Firth Tours from Elgin and Award Winning Fochabers Fish Bar. A press release also went out in Feb 2017 announcing that 'I like Birds', Winner of the BG sponsored Most Promising Enterprise Awards last year has signed its first licencing agreement with Los Angeles based Brown Trout Publishers Ltd, worldwide market leader in publishing to publish and distribute his calendars globally.

BG Moray's local Facebook Page continually showcases business skills and digital workshops events and shares stakeholder events as appropriate. Highlighted in Q4 was the Business Breakfast regarding the re-evaluation of Business Rates; Moray Council Pension Information Event for SME's; Moray Scottish Apprentice Week; Supplier Development Construction Sector Event and Scottish Edge Fund

### Business Growth

Q4 saw 9 businesses engage in more depth with BG to investigate growth opportunities. They have been supported to produce Growth Action Plans including financial investor ready projections. These businesses include:

- Stonemasonry
- Firearms Manufacturer
- PR Consultancy
- Nail Studio
- Utilities Broker
- 2 Public Houses
- Fencing Contractor

This has brought the total number of growth businesses supported by BG Moray to 31 in this financial year which is encouraging and we will continue to work with these businesses to help them achieve their full potential over the next 12-18 months. The newly launched Local Growth Accelerator Programme (LGAP) will mean that we can now deliver sector specific support. We had constructive meetings with HIE in Moray during Q4 which resulted in another business being accepted into Growth Pipeline. This will help that company to access the right support at

the right time and to manage their growth expectations as they develop.

### **HR Advisory Service & Access to Finance**

BG continues to deliver the HR Advisory service to growing businesses in Moray and will now develop this service as part of the LGAP programme in 2017/18. 13 businesses have sought specialist advice on recruiting new employees resulting in 9 new jobs being created with these specialist interventions this quarter.

1 company has had a Graduate Placement approved this quarter and one other has applied for a 12-month placement. It is hoped that these will both be in place by Q1 2017/18. This scheme was introduced as a pilot during 2016/17 in Moray, when we identified a gap in opportunities for SME's to engage graduates. This will also help with the Graduate retention in Moray. To end March 2017 3 applications have been completed with 2 approvals (one application still outstanding was only submitted on 4 April).

Specialist one-to-one advice on access to finance and investor ready planning continues to be delivered in-house to Moray businesses looking to grow. This work is carried out by the BG team along with specialists as necessary. Many come to BG Moray as referrals from stakeholders, accountants and banks etc. as well as direct or via EFS (The BG National Enquiry Service).

Business Loan Scotland launched on 20<sup>th</sup> March and the website is now live [www.bls.scot](http://www.bls.scot) giving access to loans of between £25K and £100K to SME's which meet the eligibility criteria. Due diligence processes and paperwork audit trail have also been finalised with Robin Jackson working with BG Moray advisers to process applications through the various stages. Moray has 4 Applications in the pipeline already with a total value of £170K The first Regional Management Group meeting is being arranged for early May 2017 and is likely to be held in Inverness.

Direct interventions by Business Gateway Moray has resulted in new and growing businesses **securing £2.28m of leveraged funding** from various lenders. With an average of 30% matched funding investment from these this totalled **£2.98m** of finance levered into the **Moray economy** by SME's as a direct result of BG support during the **2016/17 fiscal year**.

### **Activities and Events**

#### **Workshops:**

Business Start-Up, marketing and recordkeeping workshops were delivered in Q4 and continue to be fully subscribed. We also ran digital workshops in partnership with HIE which covered the following topics:

- Developing a Social Media Strategy
- Build your own business website
- Improve Your Website Performance
- Introduction to Social Media
- Facebook For Business (Intermediate)

#### **Local Events**

- BG Moray was a partner in delivering **Scottish Apprentice Week** events during 6-12 March. We also acted as a conduit between SME's and DYW/SDS and MCUHI to encourage businesses to consider MA's – all events were fully subscribed with 28 businesses taking stands and 60 attending the business breakfast. Outcomes for businesses attending were very positive with many reporting good engagement with young people who attended. Wash up meeting took place on 29 March at SDS HQ with good feedback.
- **Non-Domestic Rates (NDR)** – Because of the re-evaluation process which was completed recently - businesses in Moray are now aware of the impact this may have. Although some have been taken out of rates altogether with rates relief now extended to include businesses with RV under £15K, many in the hospitality sector are seeing 200% increases. Since a business breakfast was held in Elgin on 16 Feb, BG are part of a steering group along with other stakeholders, MSPs, councillors, local businesses and business support agencies in Moray who will look at how we can work with the Scottish Government to ensure that all Moray's businesses are heard and the focus is kept on changing how this tax on *business* property is calculated and rolled out in the long term - first meeting was on 4 April 2017.

- **Moray Soup** – a collaboration between Moray College UHI, Business Gateway and MCC, this takes the form of a crowdfunding event and the second one took place on Monday 20<sup>th</sup> March in the evening with 67 attendees. There were 5 presentations and the winning project received £335 from the £5 soup payments. It is proposed to hold a Soup Event during MBW '17 targeting micro / early start businesses.
- **Veterans Scotland Consultation** – Met with this team along with SDS & CITB to see how we can help streamline support for Ex-forces client who may want to start their own business or look for work in Moray. Discussed transferrable skills etc.
- **Moray Leader** – Met with the newly appointed Manager (Norman McCaskell) this week to hear about the roll – out of the programme (May/June likely) and eligibility criteria. Discussed how BG can support applicants with the business and financial planning process.

### Next Quarter Visibility

#### **MBW '17 forward planning**

This year we are changing the format of business week. The MBW Stakeholder group agreed that to keep it 'fresh' and attractive to Moray businesses and although fringe events will be happening throughout the week, the focus will be on a Showcase Event held on 17<sup>th</sup> November 2017 in Elgin Town Hall. The idea is to bring together iconic brands and aspiring entrepreneurs of the future. With so many iconic brands based in a region with outstanding natural resources, Moray has an extremely high concentration of activity in the world famous Scottish food and drink industry. The area also offers a highly skilled workforce and small and medium sized businesses with a great reputation for producing quality products supported by a first-class service. We believe that there are several ways for Moray-based SME's and companies to engage, develop new markets and identify supply chain opportunities which could benefit **all** Moray businesses. We will invite 25 of Moray's largest and most successful manufacturing businesses to take a stand showcasing their operations to engage with SME's and exploit potential supply chain opportunities with SME's based in Moray.

#### **Proposed draft format - Showcase Event:**

**THEME** - showcasing Moray's world renowned manufacturing sector to SME's with the potential / expertise to supply and collaborate

**OBJECTIVES** - B2B supply chain and supplier finder opportunities for exhibitors and SME's attending the event

**VENUE** – Elgin Town Hall

**DATE** – 17 November 2017

#### **FORMAT**

- large companies exhibit in the main area of the town hall (at no cost)
- key opportunities for SME's to engage / network / do business with key exhibitors
- info zone with professional services and business support
- business related workshops in the bar area throughout the day
- food & drink zone and networking in the supper room
- keynote speaker presentation over lunch in supper room
- 'on the sofa' pre-recorded sessions with leading moray entrepreneurs will be played at certain points throughout the day

#### **Employment Opportunities Fair – Kinloss Barracks**

This event is being organised by Ruth Douglas, Staff Officer for 39 Regiment at Kinloss Barracks and aimed at providing useful connections for the Regiment and their families. It will be held on 17<sup>th</sup> May 2017 and BG Moray will take a stand. We have also been invited to give a presentation on the day to the Regiment , their spouses and families about opportunities around self employment.

### **Local Growth Accelerator Programme (LGAP)**

This programme was launched in February 2017 and different elements will be delivered over the next 18 months and include the following:

**Specialist Advice** – one to one support from sectoral experts

**Recruitment Advisory Service** – one to one support on recruitment from brief to contract

**Graduate Placement Programme** – Support for SME's to employ a graduate to deliver a specific project

#### **Growth Workshops**

Series of workshops on topics supporting growth on such topics as :

- Writing a Business Growth Plan
- Winning Public Sector Contracts
- Intellectual Property(IP) & Branding Fit for Growth
- Pitching
- Building a Great Team
- Being a Director
- Raising Finance for Growth
- Marketing a Growing Business
- Accounts for the Non-Financials Manager
- Succession planning / running a family business

#### **Leadership & Growth Programmes**

This workshop is for ambitious business owners and managers of SMEs with aspirations to grow.

#### **Key Sector Entrepreneurial Support**

Building capacity/capability of SMEs to secure higher value contracts (public and commercial) and taking a sectoral approach to encourage supply chain development, collaboration, and moving into new markets outwith Moray and Highland. Sectors such as Food and Drink and Construction have been identified as priority sectors.

**Supplier Development Pilot** This will take the form of a **free** Health Check for businesses and will be available for the next six months. It's a collaborative initiative between Business Gateway Moray and Public Contracts Scotland and will be available to businesses with an address in the Moray area. 1 to1 meetings will be booked on a first come first served basis Business Gateway Moray will arrange a meeting at their office in Elgin. The Health Check will focus helping businesses:

- Understand how public sector buyers use the PCS and PCS-Tender websites, therefore informing their use of the websites.
- Review, update or create a PCS Alert Profile with Product Categories relevant to their business interests.
- Review and update their PCS Alert Profile Geographical Locations.
- Review, update or create a Supplier Finder Profile.
- Find out more about the PCS-Tender service, registration process and supplier profile functionality.



## Appendix 1

### Activity Highlights - Business Gateway Moray April 2016 – March 2017

- **132** new enterprises started as a direct result of BG Moray interventions
- **236** jobs were created or retained by SME's supported by BG to start up, grow or as a result of purchase
- **30** start-up skills workshops were delivered to **260** businesses
- **30** workshops for growing businesses were delivered with **303** unique businesses attending
- **18** of which were Digital Boost workshops delivered in partnership with HIE with **200** businesses benefiting
- **64** businesses were supported with access to finance/Investor ready advice. Direct BG interventions resulted in these companies **securing £2.28m of leveraged funding** from various lenders + 30% matched funds of £700K. This totalled **£2.98m** of finance levered into the Moray economy by SME's

**Start-up survival rates - Source BG National - (Moray / National Comparison)**

	Moray	National	Moray	National
Volume Start up survival Rates April 2016 – March 2017	12 Months	12 Months	36 Months	36 Months
	87%	81%	84%	68%

Business Gateway Moray launched a **Local Growth Accelerator Programme** on 6 February 2017 which will run until end of 2018 and includes the following support to growing business in Moray:

- Specialist business growth advice
- Investor Ready & Access to Finance support
- Recruitment Advisory Service
- Graduate Placement Programme
- Business Growth workshops
- Key Sector Entrepreneurial Support

A **Supplier Development Strategy** is in place to ensure a programme is developed so businesses in Moray are better able to access public sector contracts and supply chain opportunities as well as training on PCS and PCS tender – a Pilot programme is about to be launched by BG Moray in conjunction with Public Contracts Scotland and approved by the Scottish Government.

**Business Loans Scotland** – Launching March 2017 giving SME's the opportunity to access loans between £25K and £100K to help them grow their businesses – the loan fund totals £230K and 5 applications are already in the pipeline as at 1 April 2017 totalling £200K. The BLS fund in Moray administered by Business Gateway.