

BUSINESS GATEWAY MORAY ACTIVITY & PERFORMANCE REPORT

QUARTER 4

1 January - 31 March 2020

Overview Q4 – As Covid-19 affects Moray businesses and communities

This report includes a period of time that very few of us would have imagined, which is why it looks slightly different to previous reports. We have focussed on the 'here and now' rather than what is to come – which is less certain.

Although the phrase “new normal” has been heard a lot recently, in many ways it’s something of a misnomer. Here on the ground in Moray, things are very far from normal – new or otherwise – with businesses closed, employees furloughed or working remotely and many people in our communities staying at home over a long period of time.

When communicating with colleagues and other Moravians via Zoom, Skype, GoToMeetings and other platforms we have become used to, it's apparent that many are concerned for their futures – both from a mental health perspective and economically – and many small businesses don't know at this point if they will even re-open.

This global pandemic is affecting everyone, everywhere and making predictions about the future is perhaps premature, as the global response is still taking shape.

Businesses in Moray have been through the 'reactive phase' in the crisis and as we move through to 'resilience' and 'recovery', we will head towards a 'new normal.' Although many businesses will find a way to trade out of this crisis, with support from Business Gateway and our stakeholder partners, a post-COVID-19 world is likely to be actively 'under construction' for a long time to come, and this will be reflected in the Q1 Report in 2020/21.

However, doing business differently in the future, might just be even better than it was!



Craig Robertson

Business Gateway Manager - Moray

Performance Statistics

Core Service	Jan '20	Feb '20	Mar '20	Progress to date 2019/20	2019/20 Target	18/19 Year-End Outcomes
Business Start ups	11	12	1	157	130	132
Approved Growth Advisory Services (GAS)	1	1	1	36	30	44
Approved Growth Pipeline (GP) - HIE	0	1	1	5	2	4
Approved Account Management (AM) HIE	0	1	1	4	2	1
Start Up Workshops	1	4	7	22	24	28
Total activities (enquiry actions /appointments)	80	68	167	901	800	852
Access to finance / Investor readiness	4	6	4	50	20	20
LGAP (Local Growth Accelerator Programme)						
Specialist Advice						
Businesses assisted with 1-2-1 Specialist advice	0	0	0	1	5	11
HR Advice						
Businesses assisted with 1-2-1 HR advice	0	0	0	1	5	1
No of jobs created	0	0	0	2	10	2
Growth / SDP Workshops/ SME Accelerator						
Full Day Workshops Delivered	1	1	0	8	5	8
Number Workshop Attendees	15	15	0	100	50	71
Unique businesses assisted	12	15	0	97	50	84
Digital Boost Half day workshops delivered	2	2	2	16	16	21
Digital Boost Workshop attendees	15	15	15	155	144	219
Digital Boost 121 Support	0	0	0	2	6	6
Additional Local Events delivered						
No. of Events				22	10	28
No of Businesses Attending				1728	500	1800

Business Start ups

A busy Q4, ironically, resulted in Business Gateway Moray interventions recording the highest number of start-up businesses in the area since it was established in April 2009. This was a very encouraging economic indicator for Moray. 25 new starts were recorded in Q 4 – with only 2 in March itself due to the uncertainty around what would happen if we followed other European countries and went into lockdown. Total number of 157 new enterprises were confirmed at the year-end and evidenced by methodology such as HMRC/Companies House registrations and/or Business bank accounts being opened. In addition a total of an additional 211 FTE jobs have been either retained or created in at the end of Q4 by these start-up businesses and business purchases – up compared to this time last year.

***Total loan funding secured at the end of Q4 by Start-Up businesses as a direct result of BG interventions = £639K**

Types/location of start-ups this quarter include:

Domestic Cleaning	Elgin
Caring Service	Garmouth
Holiday Lets	Cullen
Proofreading & Copyright	Keith
Electrician	Elgin
Wheelchair Accessible Taxi	Lhanbryde
Mobile Vehicle repairs	Elgin
Podiatry	Hopeman
Scaffolder	Buckie
Boiler Care	Dufftown
Outside Catering	Elgin
Wildlife Hide	Craigellachie
Card Cutting Crafts	Elgin
Dog Walker & Pet Sitting	Kinloss
Pet Services	Elgin
Hairdresser	Elgin
Self-Catering Cottage	Aberlour
Hearing Practitioner	Cullen
Product to dry wetsuits	Lossiemouth
Bodycare Range	Elgin
Digital Engineering	Elgin
Table top Gaming	Elgin
Dyslexia Support	Lossiemouth

Business Growth Support

Q4 saw a further 7 businesses actively engaged with BG exploring their growth plans – 2 of which have been accepted into account management with HIE. They have been supported to produce Growth Action Plans and business growth plans as appropriate to include financial projections in some cases to ensure they are investor ready and in others to test the viability of their plans. It would be prudent to observe that during January and February, the uncertainty that Brexit will bring for businesses, was prevalent during any discussions. Some have identified it a positive and others as negative.

It has to be said that as we moved through March and into April as the Covid-19 pandemic started to impact on everyday life, this then became the primary focus of businesses and deflected from any growth plans they may have had. Moving into 2020/21 will be a real test of the resilience of Moray SME's with previously strong growth ambitions and collaborative support with HIE will be critical to any resilience and recovery plans.

In terms of that business support, there will need to be a balance between debt and equity and ongoing revenue funding. If businesses want to survive and prosper, they've got to establish a sustainable capital structure. A sound capital structure will help to consolidate ambitious growth businesses finances and ensure they can pursue new and diverse growth opportunities. Ideally the capital structure would have enough flexibility to overcome any unforeseen economic crisis such as Covid-19 – but we have never dealt with such a situation before so it's really 'crystal ball' stuff! Capital structure balance is normally seen by establishing an equilibrium status between debt and equity. Both of these funding streams come with advantages and disadvantages, so a combination of the two should help ensure SME's and larger players in Moray achieve their long-term objectives. There is no magical formula though and many businesses will have to be supported in the months and years ahead being mindful of the pros and cons of debt and

equity to achieve the right formula and helping to future-proof the Moray economy. Types of businesses supported by BG Moray to grow in Q4:

- Engineering
- Sustainable Products
- PR company
- Manufacturer
- Beauty and Wellness
- Country Estate
- Musician

***Total loan funding secured at end Q4 by growth businesses as a direct result of BG interventions = £1.9m**

WORKSHOPS & WEBINARS DELIVERED BY BG IN MORAY DURING Q4

WORKSHOP TITLE	DATE
Facebook for Business (Intermediate)	Wed 22nd January
Paid for Advertising (Intermediate)	Wed 22nd January
Successful Marketing & Promotion	Tue 4th February
Effective Business Record Keeping	Wed 5th February
Digital Boost: Pinterest, Instagram & Photography for Business	Wed 12th February
Digital Boost: Video Production for Social Media	Wed 12th February
Digital Boost: Facebook for Business (Intermediate)	Wed 4th March
Digital Boost: LinkedIn For Business (Intermediate)	Wed 4th March
Business Start-Up WEBINAR Marketing	Thurs 5th March
Start Your Own Business	Thurs 12th & Fri 13th March
Business Start-Up WEBINAR Business Planning	Thurs 12th March
Business Start-Up WEBINAR Finance	Thurs 19th March

Local Marketing/PR

BG Moray's Facebook and Twitter Pages are important marketing platforms for our business skills workshops, BG events and sharing information and business support available. Published or shared in on our digital platforms in Q4 were:

- BG webinars and workshop including Digital Boost Programme
- Launch of Round 6 of the Scottish Edge Competition
- Opportunities for Moray Businesses to join a trade mission to Munich
- FSB Small Business Awards
- Moray Business showcase (postponed until at least year end 2020)
- Moray supplier Development workshop on ESPD
- Moray Businesses winning the Highland-wide Create Competition
- HMRC update on Self Employed Status / IR35 changes
- Talent Without Limit Scottish Apprenticeship Week Event
- Budget highlights
- Great places Training opportunity for Micros
- Essential Guide to Tax L & L Event
- From 13 onwards most of our posts were about COVID-19 updates and support available

BG National Marketing Activity

In light of the COVID outbreak the planned National Marketing Campaign for the second half of Q4 was postponed and messages changed to and funds redeployed into local webinar support that was tailored, where possible, to suit more immediate and relevant topics.

This was enhanced by:

- local radio ads – generic message promoting online support with CTA to contact local BG offices for support during COVID-19
- local leaflets focusing on support during this crisis (print and online version)
- national and local webinars developed within 2 weeks and delivered across Scotland throughout March '20

Q4 additional Local BG Activities and Events

- **Supplier Development**—SDP delivered workshops in Moray during January and February designed to increase the chances Moray businesses to secure public sector contracts. The first workshop held in January 2019 had 12 businesses registered and 15 registered for the February workshop.
 - Improving your Bid Score 16 Jan 2020
 - Tender Procedures and the ESPD 19 Feb 2020
- **Scottish Apprenticeship Week** —took place during March 2020. BG Moray worked closely with DYW (Developing the Young Workforce) and other stakeholders to plan and develop events Moray delivered. 2 events went ahead to promote the 'Apprenticeship Family' in the Laichmoray Hotel, Elgin on 3rd and 4th March 2020 - a Social Media Campaign ran throughout the week. One event supported SME's and the other focused on parents and young people. Both events were set up in a 'world café style' with attendees gleaning information on the support available to businesses when they employ young people and what is available to parents and students throughout their apprenticeship journey. **The outcomes:** SME's and parents have more

knowledge about the advantages of employing an apprentice; Young people wishing to enter the workplace understand what apprenticeship opportunities have to offer.

- **BG Business Growth Programme 2020/21**: This programme has been developed further in Q4, and the brief for the PIN completed. Moray Council Procurement team will now ensure due process has been followed before publication. This programme for business growth will run over 2 years and is likely to be delivered via a framework of providers, managed by BG. The programme will include but not be limited to: Specialist Advice, Moray Accelerator, Business Growth Workshops & Masterclasses, Specialist Advice, and a Moray Business Showcase Event. This programme is now scheduled to start in Q2 2020/21
- **Moray Enterprise Hub Project Board** Further meeting of the Board took place in February 2020 and will be led by Moray College UHI – BG has been invited on to the project board as a partner to help move forward plans for an Enterprise Hub in Moray which are being pursued as part of the Growth Deal. Meetings planned for March were postponed – to be re-scheduled for June 2020.
- **Diversity & Recruitment Fayre** – BG Moray took a stand at this event during Feb 2020 in Moray College UHI.
- **BG CRM System ‘Champions’ Training Day**: As part of a new training delivery model, an essential training day was held on Monday 17th Feb 2020 at the Cosla Conference Centre in Edinburgh. All BG ‘system super users’ from all local authority regions attended (*Lorna from the BG Moray Team attended*). The CRM champions are a vital part of the local delivery network and the purpose of the training day is intended to update their skills needed to carry out future roles in areas such as:
 - Understanding and using dashboards and Advanced Finds
 - Reporting
 - Data quality and integrity
 - Troubleshooting local issues
 - Training new users
 - Communications
- **Moray Business Showcase 2020** – Due to Covid-19 outbreak this event has been postponed until 2021