

27 APRIL 2011

**CREATING BUSINESS IN WALSALL - FINAL REPORT OF THE
BUSINESS START UP WORKING GROUP**

Ward(s) All

Portfolios: Councillor A. Andrew - Regeneration

Report:

The working group was established by the Regeneration Scrutiny and Performance Panel on 21 January 2011 following consideration of a report on Business Start Up Support in Walsall. The Panel observed that there was a gap between business start ups and business failures compared to regional and national figures and decided to set up a working group to consider how the number of start ups in Walsall could be improved.

Due the short timeframe available to complete the investigation the working group's final report including its key findings and recommendations is currently being finalised with Members and will be sent out before the Panel meeting. The Panel are asked to consider the report and approve the recommendations for submission to Cabinet.

Recommendations:

That:

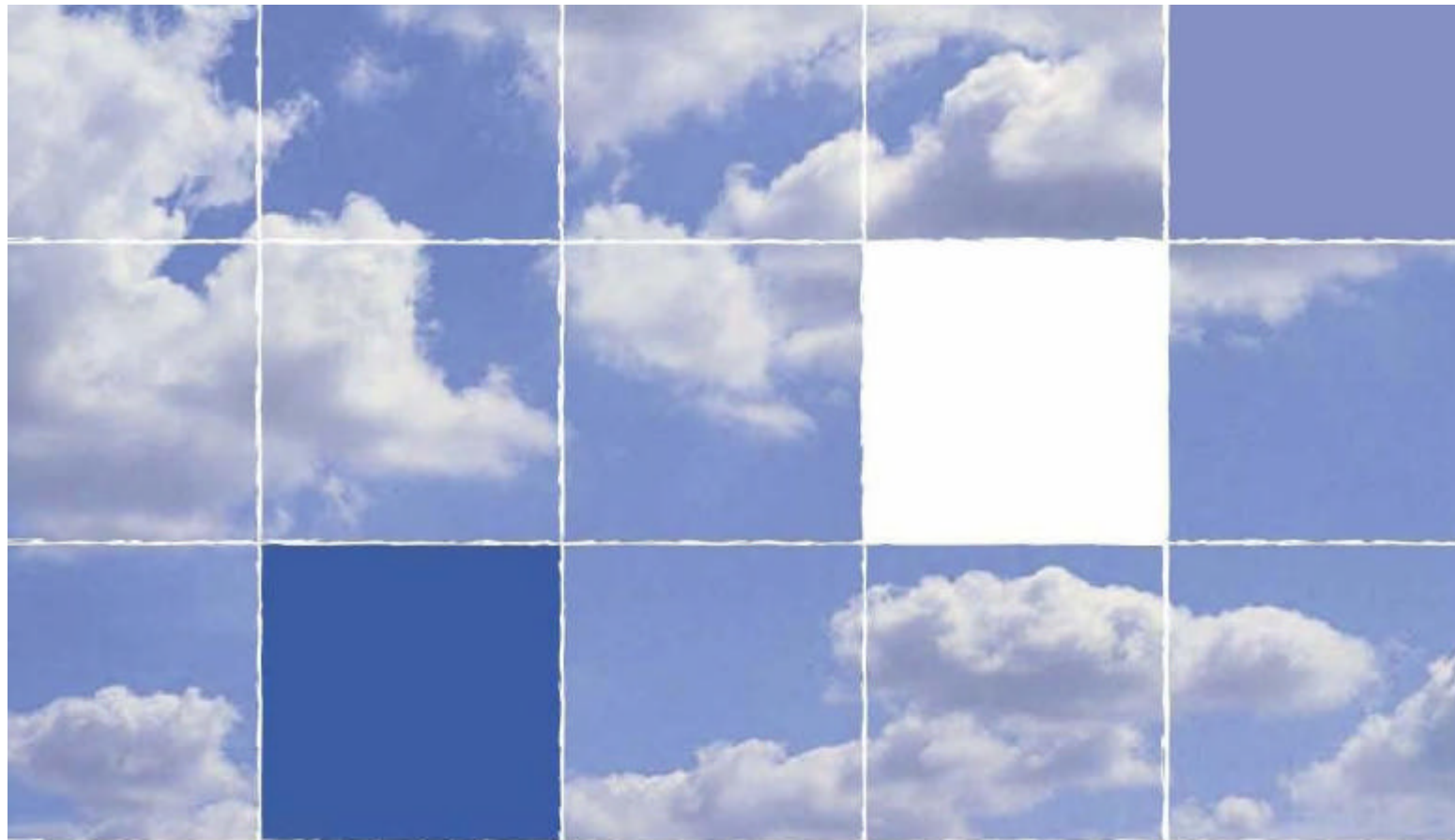
- 1. the Panel considers the report of the Business Start Up Working Group and determines whether it wishes to agree the findings for submission to Cabinet, and;**
- 2. the Panel review the outcome of the Executives response and review progress with the implementation of the working group's recommendations after six months.**

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Creating Business in Walsall

Report by the Business Start Up Working Group

**To be presented to the Regeneration Scrutiny and Performance
Panel, 27 April 2011**



Walsall Council

Chairs Foreword

The economic regeneration of our town is without doubt one of the most important challenges facing Walsall. The aspirations of many will rise and fall on our efforts in bringing about sustained employment and future investment.

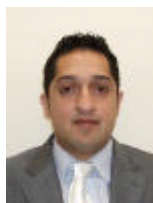
Business start-up and sustainability is but one aspect that if properly addressed could bear the fruits for many years to come, not only leading to primary employment, but also having a secondary impact on health, poverty and wellbeing.

Whilst compiling this short report I have been reassured by the many groups and individuals who share a similar goal for Walsall Town.

My sincere thanks also go out to the remaining Members on the working group, the working groups support officers: Craig Goodall and Andrew Rumble and the external organisations that met with the working group, namely: Breathing Space, Trade Walsall, Federation of Small Businesses and Black Country Enterprise. Without whose help and support this report would not have been tabled before the Panel.



Councillor Des Pitt
Lead Member, Business Start Up Working Group
Chair, Regeneration Scrutiny and Performance Panel



**Councillor
Imran Azam**



**Councillor
Dennis Anson**



**Councillor
Ian Shires**

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Introduction

Background

The working group was established by the Regeneration Scrutiny and Performance Panel on 21 January 2011 following consideration of a report on Business Start Up Support in Walsall. The Panel observed that there was a gap between business start ups and business failures compared to regional and national figures and decided to set up a working group to consider how the number of start ups in Walsall could be improved.

Terms of Reference

The working group held one meeting to consider and draft its terms of reference which were agreed as the following:

1. To understand the motivations for Walsall residents/entrepreneurs behind starting new businesses.
2. To understand what support is currently available to support people in establishing their own business.
3. To understand what support local people require, including different social groups (ethnic background, sex, school-leavers, elderly people etc), require to establish and set up their own businesses. Are there any gaps or barriers in provision?
4. Understand why other local authority areas have higher numbers of start ups and lower levels of business failures. Explore and understand other approaches to success and failure rates.
5. To explore the wider socio-economic benefits in Walsall of starting up new businesses (e.g. reducing health problems, reducing social exclusion)
6. To make recommendations to Cabinet and external partners on actions to take in the future noting the need for the proposals to be sustainable due to the limited resources.

Due to the short timescales involved the working group had to work to it has not been possible to consider all of the above areas in as much detail as Members desired to. This links to one of the working groups recommendations to continue the investigation in the next municipal year.

The full terms of reference for the working group are attached at Appendix 1 to this report.



Membership

The membership of the working group was approved by the Regeneration Scrutiny and Performance Panel at its meeting on 21 January 2011:

Councillor Des Pitt (<i>Lead Member</i>)	Conservative
Councillor Dennis Anson	Labour
Councillor Imran Azam	Conservative
Councillor Ian Shires	Liberal Democrat

Methodology

The working group held three meetings that included interviews with council officers and external witnesses. The working group also undertook a site visit to Wolverhampton Business Solutions Centre. A full list of the witnesses involved in the investigation can be found at Appendix 2 to this report.

In addition to this a short questionnaire on business start up support was sent to a range of external organisations and partners for their views.

Report Format

This report is a summary of the activity and evidence that the working group considered. The report sets out the working groups findings with its recommendations at the close of the report.

Report

Context

Evidence collected as part of Walsall's local economic assessment, reported to the Regeneration Scrutiny and Performance Panel, shows that Walsall was home to over 7,500 active enterprises¹ in 2009. The borough has a new business registration rate² of 35.6 businesses per 10,000 people aged 16 and above. This is lower than comparable data for the West Midlands region (41.7) and England (49.6) and shows that Walsall is lagging behind in terms of new business creation. In 2009 there were 720 new enterprise 'births' but 1,005 enterprise 'deaths', giving a net loss of 285 businesses. This was the first year that there had also been a net business loss nationally, demonstrating the widespread impacts of the recession.

Business density, (expressed as the number of businesses per 1,000 of the working age population), allows the business base to be compared between areas. In Walsall (2009) there were around 50 businesses for every 1,000 of the working population, in line with the Black Country's business density average. Walsall, however, lags behind the regional and national levels (at 58 and 64 businesses per 1,000 of the working age population respectively).

This gap is partly linked to a lack of growth in the Walsall business base between 2004 and 2009 as the number of businesses – and therefore business densities – remained relatively static. Over the same period, business levels in the West Midlands and England grew by 6% and 8% respectively. Walsall now requires over 1,200 additional businesses to reach regional levels of business density and requires over 2,000 additional businesses to reach the national level.


There have been some improvements in new businesses' survival rates in the borough over the past five years. However, survival may have been affected by the recession from 2008 onwards and generally remains slightly below the national average. Over nine in ten enterprises survive their first year, but this falls to less than two-thirds surviving for three years and only around half survive for four years.

These figures demonstrate that Walsall is behind the national rate in terms of new business start-ups and business density, and will continue to lag behind if both the new start up and business survival rates do not improve.

Worklessness in the borough is high, with over 27% of the working age population classed as being 'economically inactive'. This issue is further

¹ Enterprises registered for VAT and/or PAYE

² Number of VAT and/or PAYE registered businesses per 10,000 resident population aged 16 and above for 2009 – latest date available.



exacerbated by the ongoing decline in public sector employment. This is a significant problem as public sector employment in Walsall grew by 4,800 jobs from 1998 to 2008 compared with a loss of 15,000 manufacturing sector jobs over the same period.

The importance of a strong economy and full employment cannot be underestimated. Issues such as life expectancy, child poverty and educational attainment can all be improved through the development of a strong economic base.

In this context, the working group felt it was essential that local people are provided with support to set up and sustain their own businesses.

What support is currently available

The low levels of enterprise and higher business failure rates have been noted by both Walsall Council and the Walsall Local Strategic Partnership. New business start ups and the development of an enterprising economy was identified as a key priority for the Councils Working Neighbourhoods Fund (WNF) programme.

As a result a varied package of support for local business start-up's (listed below) together with business support was developed and put in place. The working group found a wide variety of organisations were responsible for delivering start up support and sustainability.

Walsall Council – Projects

The Council's Think Walsall Business Support team supports new and existing enterprises across a range of business issues including access to finance, relocation support, recruitment and workforce development. The team works closely with key partners including Business Link and Black Country Enterprise to ensure that clients get access to all relevant support available.

In addition to on-site business visits, the team offer information, advice and guidance on the phone, email, or via the web (www.walsall.com).

The team also work with a range of partners and manage interventions funded through Working Neighbourhood Funding. This funding has been used to commission activity over a rolling two year period to underpin entrepreneurship and enterprise. These activities include:

Schools Enterprise Programme: Working with Walsall Education and Business Partnership (EBP- recognised as the lead EBP nationally) to raise awareness of the opportunities for self-employment and enterprise with primary and secondary aged school children.

Young People Supporting Innovation in Companies: Working with Walsall College to provide in-company experience for young people on innovation projects. A hands on approach to delivering innovation.

Social Enterprise: One to one and peer support for new start and existing social and community enterprises.

Start-up Grants: Grants available for new start businesses.

Relocation Grants: Grants available for existing businesses needing to relocate to retain profitability and safeguard jobs.

Enhanced Innovation Support: Delivered by Black Country Enterprise, the project offers intensive support for new and existing companies seeking to develop innovative new products, processes or markets.

In addition to the support outlined above there are a range of external partners who also provide business start up support.

Business Link (www.businesslink.gov.uk)

Business Link is the national organisation for business support funded by Government. Any alternative activity or organisation must show how it adds value and does not duplicate the Business Link offer.

Business Link offer information, advice and guidance on a range of key business issues including access to finance, sales, marketing and business planning.

Start up support in the Black Country is sub-contracted to Black Country Enterprise.

The working group noted that Business Link was to close in the autumn of 2011 which would see the end of centrally driven start up support and advice in the Black Country. In future business start up advice will be delivered through a call centre and website rather than through personal business advisors.

Black Country Enterprise (BCE) **www.blackcountryenterprise.co.uk**

Deliverers of the Business Link start-up service in the Black Country, BCE help aspiring entrepreneurs to take their first steps into self-employment by offering free one-to-one business start-up advice, counselling and training.

In addition to one-to-one support, BCE offer a range of specialist workshops on business planning, marketing and finance. These workshops are free and run throughout the Black Country on a rolling basis.

BCE is a wholly owned subsidiary of the Black Country Chamber of Commerce.

Breathing Space Self Employment Programme **www.breathingspaceltd.co.uk**

Delivered by Breathing Space, the WNF funded self-employment programme is aimed at individuals who are interested in starting up their own business.

This self employment course delivers an 8 week programme that provides advice on issues that an individual experiences on the route to self-employment and offers valuable assistance from professionals from legal, accountancy and financial services.

The working group found that in the last two years 135 businesses had been established following attendance on the Breathing Space programme. The majority of clients (at least 50 each year) had gone onto employment (rather than self employment) as a large part of the course was around motivation.

Representatives from Breathing Space attended a working group meeting and advised that the recession had led to a new client group of recently unemployed former professionals attending the course. In the past the main client group had been the long term unemployed.

Jobcentre Plus


Jobcentre Plus Personal Advisers offer additional support to job seekers who are willing to consider either starting their own business or taking up a job that is offered on a self-employed basis. Although the offer is only available from the 13 week stage of a customer's claim. The support on offer is comprised of two distinct elements – advice and financial assistance.

Should people commence self employment and stop claiming job seekers allowance they receive a Self Employment Credit (SEC). SEC, administered solely by Jobcentre Plus, provides a weekly payment of £50 for up to 16 weeks to help the customer through what can be a difficult transition period. There are eligibility conditions that need to be met in order to receive the credit.

Information on Future Developments

The Department for Work and Pensions (DWP) are currently in the early stages of developing the New Enterprise Allowance programme. Whilst there are issues still to be decided the programme will provide support for would-be entrepreneurs by giving the unemployed access to business mentors/coaches and start up loans. They plan to introduce the New Enterprise Allowance next year and want to develop a simple and un-bureaucratic system that brings about a step-change in the way that enterprise is promoted as a route back to work. Announcements and details of how to work with DWP will be made available on the DWP Internet site (www.dwp.gov.uk).

The working group were pleased with the range and breadth of current business start up support. However, it was noted that a number of projects were dependant on WNF funding which was due to end during 2011/12. The working group believe that business start up support must continue once WNF funding ends. Members are particularly supportive of maintaining a training style programme similar to that operated at Breathing Space – but for any resident who wanted to attend rather than just the unemployed. In addition to that, whilst recognising the need to operate with limited financial resources, the working group would



like to see the continuation of small start up support grants which were recognised as often being critical in someone starting up or not.

In addition, ongoing advice and mentor support should be available to assist new businesses as they seek to establish themselves.

Barriers

The working group recognise that there are many barriers that could prevent someone from setting up their own business. The working group's view is that it is important that as much help and support as reasonably possible can be provided to help residents to overcome these barriers.

A business coach working in the Caldmore and Goscote area of the borough identified a range of issues that affected local residents and created barriers to business creation. The issues identified were:

- Low confidence and aspirations;
- Financial literacy;
- Red tape and lack of understanding;
- Recognising and acknowledging own abilities;
- Learning difficulties;
- Geographical boundaries;
- Benefit information and high levels of 3rd and 4th generation unemployment.

A key barrier recognised by many providers is the 'benefit trap' whereby people on benefits are afraid to take the risk and set up their own business as they would lose the security that their benefits provided.

One further issue identified was the **black economy**. It is believed that there is a small but significant proportion of local people who work outside any governance or regulation. In some cases these people are also claiming government benefits. ***The working group recognise that this is a complex problem to address but feel that action should be taken, in the form of encouragement and enforcement, to legitimise Walsall's black economy.***

Premises – Incubator Units

One key issue for any business, new and existing, is premises. Many new businesses start from home but can quickly outgrow the spare bedroom. Other businesses require their own premises sooner or simply need someone to answer the phone for them or have a professional meeting place. Previous work completed by the Regeneration Scrutiny and Performance Panel has revealed a lack of available employment land. But how can a new business that is trying to establish itself afford these facilities? Particularly when the available land and buildings are so scarce?

A common way of providing these sorts of facilities to new businesses is to provide 'incubation units'.

For example, Sandwell Council provide 6 managed work space sites. They are located in:

Cradley Heath
Hartley Heath
Oldbury
Smethwick x 2
Wednesbury

Two of these units are mixed office and commercial premises. The other four are exclusively office space. A maximum of 1000 sq ft of floor space is available to any one company. No special rental rates are made available, however, some businesses may qualify for small business rate relief.

New and existing businesses can lease space on flexible 'easy-in/easy out' agreements. Premises are not fitted out for immediate use so companies are responsible for providing their own tools, office furniture and other equipment such as IT. Premises come with broadband connections.

85% of available space provided by Sandwell Council is currently occupied.

Wolverhampton Science Park also provide incubation units. Here rental rates start low but as a businesses need for space increases so does the rent. Eventually a time will come when it is more economical for the business to move into the commercial sector thereby freeing up the space for a new business at the Park.

A best in class example is One Central Park in Manchester. Here incubation units are provided through a partnership between local Councils and local Universities. As well as providing work-space, mentor support and guidance is also located on site to provide a helping hand.

The working group believe that incubation units providing shared services, such as reception and meeting facilities, in a hub provide a professional approach to business not otherwise available to a new business.

The working group would like to see a number of incubation units developed in Walsall. The units should:

- ***be a mixture of commercial and office space.***
- ***have competitive rental rates and flexible leases.***
- ***come with integrated business support features for assistance and guidance.***
- ***be developed in partnership with local support agencies and higher education facilities.***
- ***include meeting and reception facilities.***
- ***be large enough to accommodate refreshment facilities to encourage networking between tenants and create an income stream for the unit.***

Consideration should also be given to using Council property assets to provide these incubation units. Further consideration should also be given to creating a community interest company to operate the units on behalf of the Council with property provided to the company through a community asset transfer.

If the Black Country Enterprise Zone is located in Walsall then incubation units should be provided within the zone.

In addition to incubator units further medium and large employment premises (office and commercial) need to be developed to provide the space and opportunity for new and existing businesses to expand, succeed and stay located in Walsall.

The working group believe that the long term focus of the incubation units and additional employment land should be about creating the employers of the future rather than supporting sole traders.



Social Enterprises

The working group learnt about a Walsall Council commissioned project that focuses on the development of Social Enterprises. Trade Walsall run by Eastside Consultants focuses entirely on tailored support to develop the capacity for more and better social enterprises (SEs) in Walsall.

Essentially a SE is a business that trades to make a profit but exists to make a positive social impact. The SE will invest its profits in the sector it works in. Trade Walsall had been established to spread the message and grow the number of SEs in Walsall.

The working group was informed of two examples of large scale SEs. Firstly Members learnt about 'Essex Cares'. 'Essex Cares' was a SE set up by Essex County Council to deliver its social care responsibilities. This had included transferring the Councils workforce and expertise into the SE which had a turnover of £27m per annum. The working group also heard about Accord Housing who had recently created a SE to provide their human resources function from their existing human resources staff.

The working group recommend that the Council investigates, as part of any future service review options appraisals, setting up its own social enterprises from existing services. This may offer additional value for money as staff and services would be able to compete in the marketplace for additional contracts with all profits being reinvested in the social enterprise.

Local Authority Procurement

The working group believed that the Council and its partners could play a key role in supporting local businesses by purchasing services and items from local firms.

The working group recognised the excellent work that was taking place through the 'Think Walsall' programme and 'meet the buyer' events which were all designed to give local business increased opportunities for gaining contracts with the local public sector.

However the working group felt that more still could be done to assist local businesses secure work from the public sector. Feedback from business groups was that, particularly for larger contracts, the tender process presented a barrier that would often detract local businesses from applying in the first place, despite being capable of providing the service required. Members felt that the Think Walsall approach was working but should be enhanced. This could be through 'Think Walsall' clauses in contracts.

The working group recognise the formal policies and procedures that the Council and its partners need to follow when seeking to award contracts or purchase goods. However, Members would like to see 'Think Walsall' clauses more frequently in tender processes, particularly for larger contracts. Additionally, where possible, the tender process should be simplified or restructured to attract more local businesses to respond to public sector procurement processes.

Local Enterprise Partnership

The working group heard about the development of the new Local Enterprise Partnership (LEP) for the Black Country. The LEP is a partnership led by the private sector in partnership with local authorities. The purpose of the LEP is to manage economic development and regeneration across the four Black Country local authorities.

The LEPs priorities are:

- Business Competitiveness (Start Up activity not explicit but has the opportunity to be as part of the Business Support activity)
- Land Use and Transport
- Education Employment and Skills.

Members noted although it had been discussed sub-regionally there was no specific priority around creating and developing new businesses. Due to the need to create new and additional employment in Walsall and across the Black Country the working group recommend that the Local Enterprise Partnership develops a focus and priority around 'creating and developing new businesses'.

Wolverhampton Business Solutions Centre

www.wolverhamptonbsc.com

The working group undertook a site visit to Wolverhampton Business Solutions Centre on 28 March 2011. The Centre provides a single point of access for all business advice needs. The centre has a single telephone number and email address and also provides drop in advice and meeting rooms at the Centres premises in Wolverhampton Science Park. This provides a clear and straightforward contact point for all business related needs for local people and businesses.

The Centre is a project operated in partnership between:

University of Wolverhampton
City of Wolverhampton College
Black Country Chamber of Commerce
Business Link
Wolverhampton City Council

Staff from all five organisations take it in turns to operate the advice centre and advise on the portfolio of business support products from all partners rather than their just own organisation. This has created a breadth of knowledge of business support activities within all partner organisations that did not exist before.

In addition the Centre offer seminars and provide meeting space at reasonable rates.

The centre opened on 30 September 2010 and dealt with 925 enquires up to 21 March 2011.

The centre accessed WNF funding to set up the centre. Future revenue costs are to be met by the five partners.

The working group were impressed with the ethos and facilities provided at Wolverhampton Business Solutions Centre and would like to see a similar partnership approach developed with local partners in Walsall. Ideally this new partnership would be located within a business incubation unit.

Conclusion

Business start ups are an important part of the mix that drives the local economy. There is already a wide range of good support available from the Council and its partners that assists people wishing to set up their own company. However, many of these schemes are grant funded. It is important that business is supported to enable local people to help themselves at a time when the economy is starting to grow and the public sector diminishes due to reductions in funding.


The working group recognise that there are many barriers to increasing the numbers of businesses in Walsall. This is supported by statistics that show 27% of the working age population in the area are economically inactive. However this also demonstrates Walsall's potential to grow should methods be devised to overcome these barriers or by supporting others to create opportunities for local people.

One key issue affecting business start ups and business growth is the lack of suitable premises. To remedy this, incubation units (office and commercial), should be developed for new businesses to locate themselves in. Ideally these facilities will be developed with local business and enterprise partners, offer flexible leases, include business support features, meeting rooms and refreshment facilities. In addition to this further medium and large employment premises are required to allow new and existing businesses to grow. It is important that the number of local employers increases not the number of employees as sole traders. Incubation units are not about providing sole traders with cheap office space.

In terms of accessing advice the working group recognise the advantages created by Wolverhampton Business Solutions Centre and would like to see a similar partnership approach to business advice taken in Walsall. This advice centre could be located as part of a business incubation unit.

Social enterprise was recognised as a key growth area for Walsall moving forward. Particularly with the anticipated decline taking place in the public sector. The working group believe that Walsall Council can take a lead by including the possibility of creating social enterprises in its options appraisals when reviewing its own services.

Despite its decline the local public sector will still be required to expend large sums of money delivering services in the area. Where possible this should be with local businesses. However, the procurement process was seen as a barrier by local businesses. Members would like to see 'Think Walsall' clauses more frequently in tender processes, particularly for larger contracts. Additionally, where possible, the tender process should be simplified or restructured to attract more local businesses to respond to public sector procurement processes.




Future economic policy for the Black Country will now be driven by the Black Country Local Enterprise Partnership (LEP). It is important that the LEP recognises 'creating and developing new businesses' as a priority for the area.

The importance of a strong economy with full employment cannot be underestimated. Issues such as life expectancy, child poverty and educational attainment can all be improved through the development of a strong economic base.

Recommendations

THAT:

1. **business start up support must continue following the end of Working Neighbourhoods Funding. Support should include:**
 - a. **small start grants or loans;**
 - b. **a business training programme;**
 - c. **ongoing advice and mentor support.**
2. **incubation units for new businesses should be developed in Walsall. The units should:**
 - a. **be a mixture of commercial and office space;**
 - b. **have competitive rental rates and flexible leases;**
 - c. **come with integrated business support features for assistance and guidance;**
 - d. **be developed in partnership with local support agencies and higher education facilities;**
 - e. **include meeting and reception facilities;**
 - f. **be large enough to accommodate refreshment facilities to encourage networking between tenants and create an income stream for the unit.**
3. **consideration should be given to using Walsall Council assets to develop business incubation units. This could be through a community asset transfer to a community interest company;**
4. **if the black country enterprise zone is in Walsall then incubation units should be included on this site;**
5. **the focus of the incubation units should be about creating new employers for the local area rather than supporting sole traders;**
6. **further medium and large commercial and office premises should also be developed;**
7. **Walsall Council consider the creation of social enterprises as part of its options appraisals when reviewing its existing services;**
8. **the Black Country Local Enterprise Partnership include a priority of 'creating and developing new businesses';**
9. **a partnership approach for business advice similar to that undertaken at Wolverhampton Business Solutions Centre be developed in Walsall. Ideally this would be located in a business incubation unit;**

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- 10. the tender process for Walsall Council contracts and services include 'Think Walsall' clauses and where possible the procurement process be simplified or restructured to attract more local businesses to respond to the public sector procurement processes;**
 - 11. encouragement and enforcement should take place to legitimise the local black economy;**
 - 12. the Regeneration Scrutiny and Performance Panel consider Cabinets progress with the implementation of the working groups recommendations in April 2012;**
 - 13. the Regeneration Scrutiny and Performance Panel consider investigating business start ups and sustainability as part of the 2011/12 work programme.**

Working Group Terms of Reference - Appendix 1

Work Group Name:	Business Start Up Working Group
Panel:	Regeneration Scrutiny and Performance Panel
Municipal Year:	2010/11
Lead Member:	Des Pitt
Lead Officer:	Andrew Rumble
Support Officer:	Craig Goodall
Membership:	D. Anson I. Azam I. Shires
Co-opted Membership:	None identified
1. Context	
	<p>Data from 2008 shows that Walsall had a new business registration rate (VAT registered businesses) of 37.9%, which equates to 765 new businesses. This is lower than comparable data from the West Midlands (47.6%) and England (57.2%). More recent data from 2009 shows that there were 720 business births and 1,005 business deaths giving a loss of 285 businesses. This demonstrates that not only is Walsall behind the national average in terms of new business starts, but will continue to lag behind if both the new start up and business survival rates do not improve.</p> <p>In 2008, there were almost 7,500 active enterprises in Walsall which equates to about 50 businesses for every 1,000 of the working population. This again lags behind the regional and national levels (58 and 63 business per 1,000 of the working age population respectively). Walsall requires over 1,200 additional businesses to reach regional levels of density and requires over 2,000 additional businesses when considering the national level.</p> <p>Between 1998-2008, when the UK was experiencing a long unbroken spell of economic and employment growth, total employment in Walsall fell by 2.5%, with full-time employment declining by 4.4% (just over 3,300 jobs). This was then further added to by the loss of 10,000 full time jobs between 2008 and 2009, the effects of the recession.</p> <p>Changes in technology are precipitating new business models in areas such as the low carbon economy and internet sales etc. Traditional and existing methods of business support may no longer be adequate to ensure start-up business exploit these new models.</p>
2. Objectives	
	<ol style="list-style-type: none"> 1. To understand the motivations for Walsall residents/entrepreneurs behind starting new businesses.

	<p>2. To understand what support is currently available to support people in establishing their own business.</p> <p>3. To understand what support local people require, including different social groups (ethnic background, sex, school-leavers, elderly people etc), require to establish and set up their own businesses. Are there any gaps or barriers in provision?</p> <p>4. Understand why other local authority areas have higher numbers of start ups and lower levels of business failures. Explore and understand other approaches to success and failure rates.</p> <p>5. To explore the wider socio-economic benefits in Walsall of starting up new businesses (e.g. reducing health problems, reducing social exclusion)</p> <p>6. To make recommendations to Cabinet and external partners on actions to take in the future noting the need for the proposals to be sustainable due to the limited resources.</p>
3.	Scope
	<p>Included The focus of the working group is support required to assist individuals in starting their own businesses.</p> <p>Excluded Specifically excluded is support to sustain existing businesses. This could be an area of work for the future.</p>
4.	Equalities Implications
	<p>The working group will consider barriers to accessing support to local residents for business start ups. The six strands of equality will form a part of this analysis.</p> <p>An Economic Impact Assessment (EIA) is being prepared for the cabinet report on the Local Economic Assessment, due to be completed by the end of April. Evidence from this EIA could be considered by the working group .</p>
5.	Who else will you want to take part?
	<p>Walsall Council Think Walsall Business Support team Jobcentre+ (Ian Howles) Chamber of Commerce – Black Country Enterprise (Chris Cooper) Business Link Department for Business, Innovation and Skills Local businesses Local residents – including those who have received business start up grants Other Local Authorities – Sandwell MBC, Coventry CC (experience of LEGI pilot programme)</p>

	Bizz Fizz (WHG) (Richard Farmer) Federation of Small Businesses (Eddie Wright) Commercial lenders (i.e. High St Banks) Trade Walsall (Eastside and Vine Trust) – Andy Haynes Community Catalyst Breathing Space (Glennys Davies) Princes Trust Network Consortium – Finance? Start Up Finance?											
6.	Timescales & Reporting Schedule											
	Terms of reference to be submitted to RSPP on 17 March 2011 for approval. Final report to Regeneration SPP on 27 April 2011.											
7.	Risk factors											
	<table><tr><th>Risk</th><th>Likelihood</th><th>Measure to Resolve</th></tr><tr><td>Completing investigation by end of municipal year</td><td>Medium</td><td>Set programme of meetings</td></tr><tr><td>Witnesses unavailable for meeting dates</td><td>Medium</td><td>Set programme of meetings. Could seek evidence via a written statement if unavailable.</td></tr></table>			Risk	Likelihood	Measure to Resolve	Completing investigation by end of municipal year	Medium	Set programme of meetings	Witnesses unavailable for meeting dates	Medium	Set programme of meetings. Could seek evidence via a written statement if unavailable.
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Completing investigation by end of municipal year	Medium	Set programme of meetings										
Witnesses unavailable for meeting dates	Medium	Set programme of meetings. Could seek evidence via a written statement if unavailable.										



Appendix 2 – List of Witnesses

Returned Questionnaires

Black Country Enterprise – Chris Cooper
BizzFizz
Breathing Space – Glennys Davies
Business Link
Federation of Small Businesses – Eddie Wright
Jobcentre+ - Ian Howles
Princes Trust – Adrian Thacker
Trade Walsall – Andy Haynes
Sandwell Council – Paul Mountford
Walsall Council Economic Regeneration Team
Wolverhampton University – Nigel Babb, Marc Fleetham and Sarah Hough