

## **EAST AYRSHIRE COUNCIL**

### **DEVELOPMENT SERVICES COMMITTEE – 23 OCTOBER 2001**

#### **AYRSHIRE ECONOMIC FORUM BUSINESS SUPPORT SERVICES REVIEW**

##### **Report by Director of Development Services**

## **1 PURPOSE OF REPORT**

- 1.1** To request the Committee's endorsement of the Ayrshire Economic Forum's recent review of business support services, which has to be submitted to The Scottish Executive.

## **2 INTRODUCTION**

- 2.1** On 31 March 2001, the Scottish Executive's Minister for Enterprise and Lifelong Learning instructed each of the 22 Local Economic Forums in Scotland to undertake a review of business support services in their areas and to prepare Action Plans for the eradication of duplication and overlap in service provision.
- 2.2** The Review and Action Plans have to be submitted to the Scottish Executive by 31 October 2001. They will be reviewed against an "Assessment Framework" and a report will be submitted to a Ministerial Task Force, which is scheduled to meet on 12 November 2001 and which has been established to consider the issues raised.
- 2.3** The Ayrshire Economic Forum established a Business Services Review Task Group to take this project forward. The East Ayrshire Council representative nominated to serve on the Group was Robert Paton, Head of Economic Development. In addition, John Spooner, Business Development Manager, and an officer from Scottish Enterprise Ayrshire were seconded on a part-time basis to support the work of the Task Group.
- 2.4** After a process involving extensive consultation, the report was approved by the Ayrshire Economic Forum, at its meeting on 11 October 2001. To meet the requirements of the Assessment Framework (referred to in section 2.2 above), evidence will have to be submitted to The Scottish Executive that each partner organisation which is a member of the Ayrshire Economic Forum has endorsed the findings and recommendations of the report.

### 3 SUMMARY OF THE BUSINESS SERVICES REVIEW

3.1 The Executive Summary of the Business Services Review is attached as Appendix 1 to this report. The conclusions and the recommendations of the review are detailed in sections 3.2 and 3.3 of this report.

3.2 The **conclusions** of the Business Services Review are that :

- There is limited evidence of direct duplication of business support services provided by the public sector;
- There is neither evidence of a proliferation of partnerships nor of duplication of effort;
- Customers and suppliers want to know the "big picture" of what services are available;
- Customers and suppliers requested a directory of business support services;
- There is a need for improved communication with customers and between suppliers;
- There is a requirement for a "customer charter" within which business advisors and the business development organisations can operate;
- There is a need to review the skill requirements of business advisors;
- Customers would prefer one single point of contact for services;
- Customers perceive business support services to be bureaucratic and process driven.

3.3 The **recommendations** of the Business Services Review are that :

- **Service Information Database**  
a data base of business support provided by the public sector and private sector is created and is made available publicly;
- **Marketing**  
a review is undertaken of the current marketing of all business support services provided by public sector agencies in Ayrshire;
- **Duplication**  
processes are established to monitor and review any potential future areas of duplication in services to business;

- **Review of Potential Gaps and Service Enhancements**  
further work is undertaken to develop services which address gaps in the market
- **Provision of Economic Information Services**  
an early review is undertaken of the provision of Economic Information Services.
- **Partnerships**  
continue with current practices.
- **Customer Charter**  
a customer charter is developed within which all Business Advisors and the business development organisations working in Ayrshire would operate.
- **Contact for Customers**  
the way customers access business support services is reviewed.
- **Review of Processes**  
a review is undertaken of processes for customers applying for services with a view to eradicating unnecessary bureaucracy.
- **Review of Skill Requirements of Business Advisers**  
an early review is undertaken of the skill requirements of Business Advisors;
- **Mechanisms to Reduce Duplication of Contact with Customers**  
consideration is given to developing knowledge sharing mechanisms to further enhance communications and services to customers, thereby avoiding duplication of contact.

#### **4 COMMENTS ON CONCLUSIONS AND RECOMMENDATIONS OF THE BUSINESS SERVICES REVIEW**

- 4.1** The Business Services Review was carried out in accordance with guidance issued by The Scottish Executive, which included a clear Assessment Framework. In the course of consultations, comments have been expressed that both “tourism” and “lifelong learning” have not featured highly in the review. The appropriate response which have been given to these representations is that The Scottish Executive guidance states that both of these areas will be the subject of separate further reviews, which will be requested in due course.

**4.2** The conclusions of the Review, based on the various elements of research which were undertaken were not surprising and in fact, were in line with the conclusions which it is understood were reached in other Local Economic Forum areas.

**4.3** The recommendations provide the opportunity both for early action leading to “quick wins” and also for further collaborative working between the partners of the Ayrshire Economic Forum to ensure the continued provision and further development of high quality business support services which contribute to the development of the Ayrshire economy.

## **5 POLICY IMPLICATIONS**

**5.1** The output from the Business Services Review will contribute towards the achievement of the Council’s objectives for monitoring and review of service delivery, as required under the terms of the Best Value Regime.

## **6 FINANCIAL, LEGAL AND PERSONNEL IMPLICATIONS**

**6.1** There are no immediate financial, legal or personnel implications.

## **7 RECOMMENDATIONS**

**7.1** That the Committee :

- (1) endorses the conclusions and recommendations of the Business Services Review; and**
- (2) instructs the Chief Executive to issue a formal letter to the Ayrshire Economic Forum confirming the decision of the Committee.**

**STEPHEN CHORLEY**  
**Director of Development Services**

08 October 2001 / jrs

### **BACKGROUND PAPERS**

**REVIEW OF AND RECOMMENDATIONS FOR PUBLICLY FUNDED BUSINESS SUPPORT SERVICES**  
**Ayrshire Economic Forum : October 2001**

For further information please contact JOHN SPOONER, Business Development  
Manager on Extension 6143.

**Ayrshire Economic Forum  
BUSINESS SERVICES REVIEW  
EXECUTIVE SUMMARY**

**Introduction**

In March 2001, the Minister for Enterprise and Life Long Learning, Wendy Alexander MSP requested all 22 Economic Forums in Scotland to review the provision of business support services in their areas and to prepare Action Plans for submission to the Scottish Executive by 31<sup>st</sup> October 2001. The Ayrshire Economic Forum established a Business Services Review Task Group to undertake this review.

**Ayrshire's Economic Challenges**

Ayrshire's population has been falling for a decade and this trend is set to continue. Unemployment in Ayrshire has consistently remained around 3 percentage points above the Scottish average and is markedly higher in Social Inclusion Partnership areas. One in four jobs in Ayrshire rely on manufacturing compared with one in six in Scotland while the service sector remains relatively under developed. Ayrshire has not been as successful as other areas of Scotland in realigning its skills base to seize or develop new opportunities or develop its connectivity to enhance access to opportunity.

**Communication and Consultation**

Communication and consultation have been at the heart of the Business Services Review. Consultation has taken place with customers, suppliers, MPs and MSPs and with the wider business community through a survey questionnaire, circulation of the draft review, press releases and use of the Ayrshire Information Society Web Site.

**Process and Methodology**

The process of undertaking the review and preparing the Action Plan has involved the following key stages :-

- **“Customer focus meetings”** to establish the experience of local businesses which have or have not received business support and to establish their views on the format which business support services should take in the future. In organising these events, there was extensive communications with the customer base by letters of invitation, press releases, magazine articles and local radio advertising.

- **“Customer survey”** to further validate the views expressed and the information gleaned at the Customer Focus meetings.
- **Working session with “suppliers”** to establish the views of practitioners in the business support network on how the provision of services should be developed.
- a **“Mapping Review Exercise”** to identify the range and scope of business support services which are available, noting resources committed and outputs / outcomes achieved.
- a **review of the “partnerships”** which currently operate as mechanisms to deliver business support services.
- **Rigorous analysis** of the information obtained which was carried out by an independent consultant.

## **Conclusions**

The conclusions of the review are that :

- There is limited evidence of direct duplication of business support services provided by the public sector;
- There is neither evidence of a proliferation of partnerships nor of duplication of effort;
- Customers and suppliers want to know the "big picture" of what services are available;
- Customers and suppliers requested a directory of business support services;
- There is a need for improved communication with customers and between suppliers;
- There is a requirement for a “customer charter” within which business advisors and the business development organisations can operate;
- There is a need to review the skill requirements of business advisors;
- Customers would prefer one single point of contact for services.
- Customers perceive business support services to be bureaucratic and process driven.

## **Recommendations**

The recommendations are:-

### ***Service Information Database***

- ◆ That a data base of business support provided by the public sector and private sector is created and is made available publicly;

### ***Marketing***

- ◆ That a review is undertaken of the current marketing of all business support services provided by public sector agencies in Ayrshire;

### ***Duplication***

- ◆ That processes are established to monitor and review any potential future areas of duplication in services to business;

### ***Review of Potential Gaps and Service Enhancements***

- ◆ That further work be undertaken to develop services which address gaps in the market

### ***Provision of Economic Information Services***

- ◆ That an early review be undertaken of the provision of Economic Information Services.

### ***Partnerships***

- ◆ Continue with current practices.

### ***Customer Charter***

- ◆ That a customer charter be developed within which all Business Advisors and the business development organisations working in Ayrshire would operate.

### ***Contact for Customers***

- ◆ That the way customers access business support services is reviewed.

### ***Review of Processes***

- ◆ That a review be undertaken of processes for customers applying for services with a view to eradicating unnecessary bureaucracy.

### ***Review of Skill Requirements of Business Advisers***

- ◆ That an early review be undertaken of the skill requirements of Business Advisors;

### ***Mechanisms to Reduce Duplication of Contact with Customers***

- ◆ That consideration is given to developing knowledge sharing mechanisms to further enhance communications and services to customers, thereby avoiding duplication of contact.

### **CONCLUSION**

The Ayrshire Economic Forum believes that the conclusions reached and the suggested recommendations in the review meet the requirements both in output and in process outlined in the Ministerial Guidelines.

**AGENDA**