

## **Business Compass Start Up 2: Summative Assessment Tender Specification**

### Background

North East Enterprise Agency Ltd (NEEAL) are delivering a business support project “Business Compass Start Up 2” across the Tees Valley LEP area. NEEAL is the Grant Recipient and accountable body for the project. The project is part funded by European Regional Development Funds and Delivery Partners provide the match funding for this project.

The project was initially established to deliver the service from 1<sup>st</sup> July 2018 until 30<sup>th</sup> June 2021 but an extension has recently been secured to extend delivery through until 30<sup>th</sup> June 2023.

We wish to identify a suitably experienced organisation to undertake a summative assessment for the entire project consisting of an interim review with two elements due from June to July 2021 and a final review by June 2023.

### Project Activities

This project is a successor project to Business Compass Start Up and was set up to deliver pre-start and early stage business support across the entire Tees Valley LEP area.

The pre-start offer is universally available to any potential entrepreneur across Tees Valley and employs a segmented delivery model with intensive support targeted at potential businesses which have a realistic capacity to create jobs and/or to trade in an industry sector which is highlighted as a priority within the Tees Valley Strategic Economic Plan. Potential entrepreneurs outside of that scope receive access to the universal offering of a suite of workshops encompassing core subject areas relating to business start up.

The early stage support is theoretically available to any Tees Valley SMEs though targeted at SMEs who are in their early stages of trading and not ready to access the mainstream SME offer that has been available via Tees Valley Business and previously Tees Valley Business Compass Growth. Eligibility is not dependent on whether they received support as a pre-start and enables Tees Valley to have a comprehensive business support offer from pre-start through to scale up. This does not deploy a segmented approach ensuring a bespoke offer can be provided to SME beneficiaries.

Once the COVID 19 pandemic hit, the project team secured additional flexibilities to flex programme delivery in line with evolving needs. Principally, this removed the requirement for the project to deliver the aforementioned segmented model to pre-start beneficiaries enabling one to one support to be offered where appropriate. This was to cater for the greater complexities associated with business start up and the logistical challenges of operationalising a remote workshop based model at short notice. This flexibility was time limited for the duration of the pandemic and not beyond 30<sup>th</sup> June 2021 – the end of our initial contracted project duration.

The activity is delivered by the following Delivery Partners:

- 1) Enterprise Made Simple. In the early stages of the project, their sister company Enterprise Revolution employed the delivery team and were therefore also listed as a Delivery Partner. The team are now all employed by Enterprise Made Simple and the transition was seamless.

- 2) Five Lamps Organisation. Given that they employ some of the delivery team, Five Lamps Trading are also listed as a Delivery Partner though in practical terms the delivery operates through Five Lamps Organisation as one offer. Five Lamps Trading are a wholly owned subsidiary of Five Lamps Organisation.
- 3) The Prince's Trust
- 4) TEDCO Business Support
- 5) Materials Processing Institute.

These Partners provide collective geographical coverage of Tees Valley with specialist support provided through Materials Processing Institute and Prince's Trust.

NEEAL has provided the project management for this project through staff employed by North East BIC who are, therefore, a Delivery Partner but only for this sole purpose. Neither NEEAL nor North East BIC undertake direct delivery with project beneficiaries on this project.

The project team also oversees a central marketing campaign which was instigated with a key aim of broadening the beneficiary base to increase the volume of beneficiaries accessing the project that were:

- Employed prior to engaging with the support. Our predecessor project had become too heavily dependent on unemployed beneficiaries which had become unsustainable when unemployment levels had started to reduce.
- From Tees Valley priority sectors given the strategic focus in Tees Valley on these sectors.
- Female given the lower levels of female entrepreneurship within Tees Valley in comparison to other regions.

This campaign commenced in the early months of 2020 and has been suspended during the COVID19 pandemic and the project team are currently assessing the options for how to refocus this campaign given the new and evolving economic climate.

### Project Outputs

The contractual targets for this project are:

- P11s: potential entrepreneurs assisted to be enterprise ready defined as eligible individuals receiving 12 hours of direct support. The initial contractual target was for 1,000 until June 2021 although this was superseded by a target of 1,306 by June 2023 once the project extension was approved.
- C1s: number of enterprises receiving support defined as eligible SMEs receiving 12 hours of direct support. The initial contractual target was for 174 until June 2021 although this superseded by a target of 210 by June 2023.
- C4s: number of enterprises receiving non-financial support defined as eligible SMEs receiving 12 hours of direct support. These are a subset of the C1 outputs and as all the support is non-financial any C1 achieved automatically achieves a C4 output. Therefore, the targets are identical with 210 due by June 2023.
- C5s: number of new enterprises supported defined as eligible SMEs under 12 months receiving 12 hours of direct support. This is also a subset of C1 and any SME under 12 months upon engagement automatically achieves a C5 if they achieve a C1. The initial contract target was 120 until June 2021 and this is now superseded by a target of 142 by June 2023.

- C8: employment increase in supported enterprises. The project target is 5 until June 2023.

### Key Tasks

The aim of this tender is to identify a suitable organisation to review the activities, outputs, outcomes and impacts of the project via an interim review and a final review. As this summative assessment forms part of a national review of activity, the project has four key areas against which it must be assessed:

#### *Design of the project*

NEEAL aimed to design a project that brought together Delivery Partners to draw upon local expertise of Partners but with a consistency of service. The broad objectives were to design an effective service that:

- Brought together an appropriate range of Delivery Partners that covered different geographies and specialisms
- Raised awareness of enterprise across the delivery area and enabled beneficiaries to develop their business ideas into fruition on a volume basis.
- Delivered the project in accordance with the delivery model stipulated within the initial Call Documentation.
- Ensured high growth businesses and those within the specialist sectors are proactively targeted and that their economic potential is fulfilled. The delivery model was designed to focus more intensive support on these groups whilst still ensuring support is available for generic clients. Furthermore, NEEAL is keen to assess whether the delivery model has been appropriate.
- Aligned closely with the Tees Valley Business (previously Business Compass) model in terms of promotion, branding, delivery and operational alignment.
- Was robust whilst being sufficiently flexible to take into account diverse demographic and geographic needs of the region. The intention was to be able to support individuals of any demographic and from any part of the region
- Underpins existing provision whilst not displacing it.

#### *How the project has performed against its targets*

#### *Project outcomes and impacts and the value for money achieved*

#### *The lessons which have emerged through the experience of delivering the project*

In line with ERDF Summative Assessment Guidance v4

([https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/896857/ESIF-GN-1-033\\_ERDF\\_Summative\\_Assessment\\_Guidance\\_v4.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/896857/ESIF-GN-1-033_ERDF_Summative_Assessment_Guidance_v4.pdf)) the

summative assessments must also consider the following themes:

- The continued relevance and consistency of the project;
- The progress of the project against contractual targets;
- The experience of delivering and managing the project;

- The economic impact attributable to the project; and
- The cost-effectiveness of the project and hence its value for money.

### Interim Report

It is envisaged the interim report will focus on three key areas which have been selected as the project team believe they can best inform delivery for the remainder of the project and add greatest value:

- An analysis of whether the project has fulfilled its recommendations from its predecessor project, Business Compass Start Up and what additional activities could be undertaken to further fulfil these. The recommendations are enclosed in Appendix 1.
- A detailed analysis of the appropriateness of the segmented delivery model approach deployed by our Delivery Partners, a view as to whether the one to one support provided greater impact than the workshop approach and whether the segmented model should continue for the remainder of the project once the COVID 19 dispensations expire. Given that this is not an MHCLG requirement and purely for internal project purposes, NEEAL has no expectations as to how this would be undertaken and would welcome approaches that could best achieve this analysis and enhance delivery throughout the remainder of the project.
- A review of project activities that will enable the completion of the first tab of annex 2. The contractor is not required to complete tabs two and three for this interim evaluation. Whilst it is wide ranging in scope, the formal reporting at this stage is expected to be light touch and the appointed contractor would not be expected to undertake detailed value for money calculations relating to GVA alongside the various adjustments that would typically be required as part of a summative assessment. These will only be required as part of the final report.

It is intended that this interim review will be primarily qualitative and provide the project practical feedback that can be incorporated into the final delivery phase.

### Final Report

The final report must include all the key elements outlined within the Key Tasks section earlier within this tender. Whilst this is a minimum requirement for this assessment any additional suggestions that add value to this activity and the project as a whole would be welcomed. It is envisaged this assessment will take place through the following means, as a minimum:

- A comprehensive review of activity undertaken as a whole and by each Delivery Partner. This review should incorporate performance, activity and delivery models and any other areas identified as being applicable to this report.
- Delivery Partner interviews
- Analysis of the project beneficiaries to identify demographic and/or geographic trends of beneficiaries who have/have not accessed the project.
- Beneficiary interviews and surveys.
- Alongside research with beneficiaries and stakeholders who do engage with the project potential suppliers should look to identify stakeholders (and through them potential beneficiary groups) who do not engage with the project and undertake

research with them to understand their needs and whether this project could potentially meet them.

- Interviews with key stakeholders from TVCA and Tees Valley Business.
- An assessment of other support available and how our activity has aligned with this.
- Alongside feedback that would typically be sought during a summative assessment, NEEAL are also keen to identify added value/beneficiary outcomes delivered through project including business starts and the destinations for those who did not start to identify if beneficiaries found employment, entered education etc.
- Identification of numbers engaged and referral sources to assess development of enterprise awareness across the region (i.e. word of mouth referrals)
- Analysis of unemployed beneficiaries to identify any reduction in unemployment within project beneficiaries. NEEAL acknowledge that this would only relate to project beneficiaries and is not representative of the wider economic environment which has seen a very sudden unanticipated decline during the COVID19 pandemic.
- Sectoral analysis of business starts recorded to identify any change in the diversity of the business base.
- An assessment of the project's central marketing programme both before and after the emergence of the COVID19 pandemic.

### Timescales

The following timescales are anticipated:

<b>Milestone</b>	<b>Date</b>
Contract commencement	29th March 2021
Induction and project familiarisation	1 <sup>st</sup> – 16 <sup>th</sup> April 2021
Submission of Annex 2	Development of annex 2 prior to submission by 25 <sup>th</sup> June 2021. Due to tight timescales this is the only element of the interim report that is required by this date.
Submission of Interim Report	Development of draft reports prior to the development of a final interim report by 30 <sup>th</sup> July 2021
Submission of Final Report	Development of draft reports prior to the development of a final interim report by 23 <sup>rd</sup> June 2023

### Budget

The budget for this activity is £24,000 inclusive of all expenses but excluding VAT.

### Proposals must cover

- Detailed delivery proposal to meet the above requirements
- Project implementation plan (including timescales)
- Proposed format of both reports.
- Breakdown of costs
- Experience of undertaking similar activities

- Details of staff involved and their roles within the proposal

#### Evaluation Criteria

- Proposed approach and methodology including an understanding of the requirements of the tender – 40%
- Experience of undertaking similar activities within the North East/Tees Valley – 30%
- Value added to the summative assessment plan outlined – 20%
- Price – 10%

#### Deadline for Submission

Please submit replies to Will Nash, NEEAL Project Manager at [will@neeal.co.uk](mailto:will@neeal.co.uk) by 5pm, 16<sup>th</sup> March 2021.



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## Appendix 1 – Recommendations from Business Compass Start Up (June 2018)

<b>Recommendation</b>
To be able to effectively demonstrate the impact of the support provided, and the difference it makes to beneficiaries and the wider economy, Partners should consider gather impact data e.g. the number of business starts and/or FTE jobs created from beneficiaries on a consistent basis across the partnership.
To effectively monitor and evidence the full impact of the support delivered, the partners could consider developing a more comprehensive monitoring system to ensure the true scale of business outcomes are being recorded. For example, by asking beneficiaries to complete a brief online form at 6 months and 12 months post-support to provide information on business start-up, turnover and jobs created.
Partners have recognised the need for additional promotional activity, including a centrally co-ordinated marketing campaign, to raise awareness of the support available. Given the falling demand from unemployed people, this campaign should focus on activity that targets those in employment or education, as well as individuals with the potential to start businesses in priority sectors. This includes an increased social media and online presence, as well as working with educational establishments and sector specific partners.
Together, the market context review and ongoing demand for the project, suggest there remains a need for enterprise, business start-up and self-employment support in Tees Valley. However, as unemployment falls there is an opportunity for partners to broaden their scope by engaging and supporting a wider audience, in particular individuals who are employed, in education, at risk of redundancy, or nearing retirement age.
There may be an opportunity to review promotional material and information provided during engagement activities, to ensure that potential beneficiaries do not have incorrect or unrealistic expectations that the BCSU support offer includes access to funding and one-to-one mentor support.
The partners may wish to consider segmenting the BCSU offer to provide a service for individuals who require only a low level of intervention, alongside the mainstream universal workshop offer; or potentially charging for specialist support which could be delivered on a bespoke basis, according to individual need.
For future programmes partners could consider including a small element of one-to-one support following the workshops as part of the overall funded offer. Whilst this level and intensity of support is not required by the majority of beneficiaries, there is a proportion for whom this would be a valuable addition to the delivery model. This would also enable partners to incorporate some additional flexibility into their support offer to meet the needs of individual beneficiaries.
To achieve a more consistent approach to the integration of the two cross-cutting themes, partners could share their approach and examples of good practice, to establish a more consistent project-wide approach to the integration of equality and diversity, and environmental sustainability.
To further extend the reach of the project and engage a higher proportion of clients seeking to start businesses in a priority sector, the partners could consider developing strategic partnerships with additional sector specialists, to jointly deliver enterprise advice and business start-up support.