



**rural
connect**

network & grow your business

north east rural growth network

business support programme



final report 2015

contents page

background	3
programme structure	7
performance	10
what we acheived	11
how we did it	13
(i) workshops	13
(ii) rural enterprise hubs	17
(iii) specialist support to businesses	20
(iiii) networks and clusters	24
outcomes and lessons learnt	27

/background



background

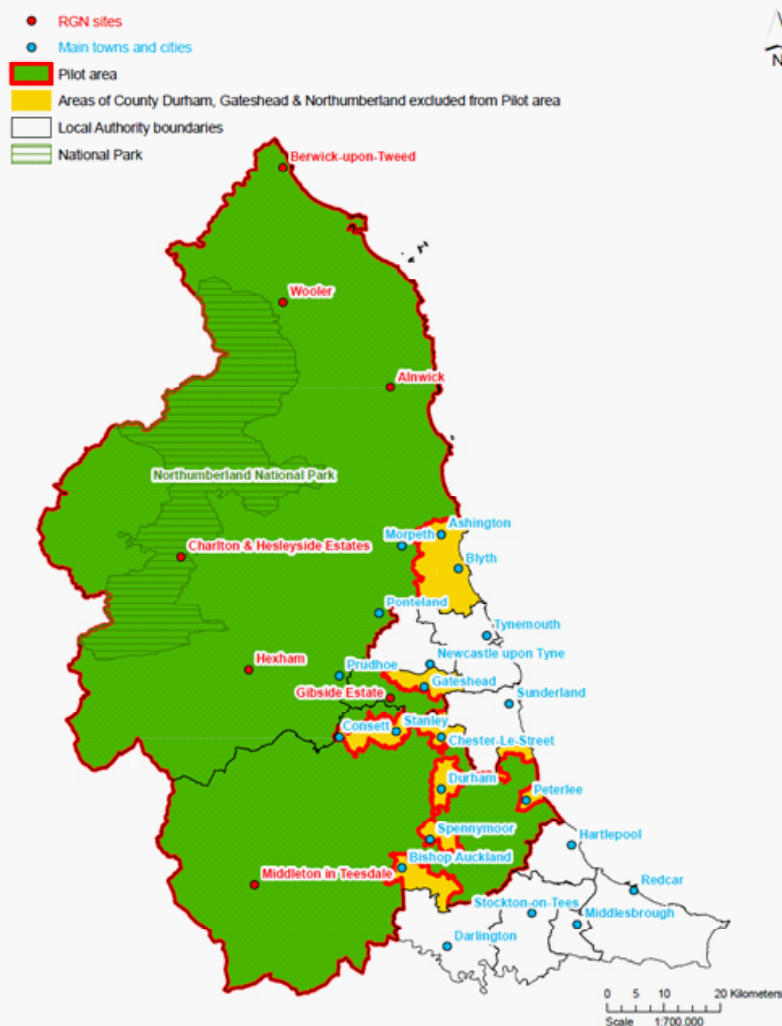
The North East Rural Business Support Programme was commissioned by Northumberland County Council acting as accountable body for the NEFRAN partnership (North East Farming and Rural Advisory Network) to run for two years from April 2013 to March 2015. NEFRAN is directly linked to the North East Local Enterprise Partnership.

The programme was a core element of the wider

Rural Growth Network (RGN) programme for north east England and was 50% funded through Defra resources and 50% through European Regional Development Fund (European Union's ERDF Competitiveness Programme 2007-13).

The area covered by the programme was defined by the map shown here.

Rural Growth Network Pilot Area



Core principles for the delivery of the programme were set as follows:

- **Make use of established networks, organisations and facilities** – in order to deliver quickly and penetrate deeply into remote rural communities, it was considered important that, wherever possible, services were delivered by, with or through established networks, organisations and facilities operating within the RGN area in an open, partnership-based approach.
- **Reach out to the most remote rural areas** – as the purpose of the project was to overcome rural barriers to business creation and growth, it was important that people and businesses were able to benefit fully from the services provided.
- **Build sustainable capacity** – as a short-term pilot, it was considered important that the services provided were delivered in a way that built the capacity of organisations and networks to continue to help support business growth after the project had ceased.
- **Promote networking** – networks were identified as extremely important elements of the success of rural businesses, so it was important that the provision of business support services in the RGN area supported and encouraged geographical, thematic and sectoral networks across the RGN area.
- **Focus on the needs of women** – an important element of the project was a particular focus on the additional barriers to business success faced by women in the RGN area.
- **Promote and support social enterprise** – not-for-profit enterprises were identified as an important element of the rural economy to be supported appropriately.
- **Promote innovation and learning** – a key theme of the programme was to test new approaches to rural business support and to demonstrate successful practice which could be replicated and built upon in the rural North East in the future.

A key issue to be tested by the programme was the belief that rurally based businesses had tended to engage less than their urban counterparts with business support programmes.

This issue was the subject of a report commissioned by Defra (working in conjunction with BIS) and produced by the Institute for Employment Studies (supported by the Countryside & Community Research Institute) which investigated the degree to which rural businesses access national employer skills and government business support programmes.

Produced in 2013, the following key findings are taken from the report:

- “No substantial evidence was found that rural businesses are significantly less likely to be aware of, or participate in, national mainstream employer skills and government business support programmes than businesses from urban areas.
- While the take-up of national mainstream employer skills and government business support programmes does vary by location, the main factors driving any variation are business size, business sector and business age.
- Rural areas have a higher density of small businesses and proportionally more sole traders than urban areas. Rural businesses are more likely to be in the land-based, retail and distribution, construction, and professional, scientific and technical services sectors than urban businesses (who are more likely to be in sectors such as finance or public service). It is this difference in the make-up of rural businesses that is the primary driver of any differential take-up of mainstream employer skills and government business support programmes.”

(“An assessment of the degree to which businesses access national mainstream employer skills and government business support programmes”, Hillage J, Culliney M, Pollard E – Institute for Employment Studies, August 2013”)

This report can be accessed [here](#).

One of the report’s recommendations was that “Access to national mainstream employer skills programmes and government business support programmes among rural businesses may be improved if information and advice on how to apply for support is proactively provided (ideally face-to-face or by telephone) by a stable set of intermediaries.”

This key recommendation was directly tested by the north east RGN Business Support Programme.



/programme structure

programme structure

NEEAL (North East Enterprise Agency Ltd) delivered this programme in partnership with Gateshead Council. The core delivery partners were:

County Durham

CDC & Derwentside Enterprise Agency,
East Durham Business Service,
South Durham Enterprise Agency

Northumberland

NBSL

Gateshead

Gateshead Council



REDO and Project Management Team 2015

A distributed hub model was utilised, providing a core service through a small number of Rural Enterprise Development Officers (REDOs) supplemented by a range of sub-contracted specialist provision operating across a network of local hubs directly linking to existing support and networks. At the centre of the programme, two people were contracted on a part-time basis as project managers focussing on delivery, reporting and compliance.

The REDOs were the key delivery agents for the programme. They were not employed as traditional business advisors. Each of the ten officers (7 full time equivalents in total) worked intensively within

a particular part of the RGN area to achieve the development of new and existing businesses. The officers proactively used all available means to seek out clients for the programme and ensure they received the support required through referrals to other providers, brokering of specialist support and developing group and clustering activities. Each Officer was contracted through either the relevant Local Enterprise Agency (where based in Durham or Northumberland) or Gateshead Council (where based in Gateshead). The contracting organisation provided day to day management and support with strategic leadership and coordination of the team provided via the project managers.

The programme sought to provide a direct route for people and businesses in rural areas into all the business support available in the North East from advice and mentoring to grants and loans. The programme was tasked by NEFRAN with delivering three core services as follows:



Universal light touch service

Seeking out clients within the patch through all available means including existing business and community networks, one to one contact and utilising known and trusted individuals and organisations within the area with good links to existing businesses and those thinking of starting a business.

This element of the service included an initial diagnostic for clients, the provision of relevant information, direct referrals on to third parties able to provide the support required and booking onto relevant workshops organised through the programme.



Solutions focussed workshops/events

Group sessions were required in connection with pre-start and existing businesses. These were organised to reflect demand and opportunity and included sector specific and cross sector workshops, geographically targeted sessions, women's enterprise, social enterprise and opportunity specific sessions. Where possible, workshops and events were delivered in identified enterprise hubs.



Rationed 1:1 support

Rationed support was primarily required to be available to those businesses who undertook at least 50% of their trade with other businesses. Detailed one to one support was provided to pre-starts and trading businesses with significant growth potential and/or operating in priority sectors.

NEFRAN definition of growth potential:

Pre starts

businesses forecast to achieve £300,000 turnover or at least 3 employees within 3 years.

Trading businesses

with ability to generate 50% or greater increase in employment or turnover over 3 years.

NEFRAN definition of priority sectors:

- Knowledge intensive business services (KIBS)
- Tourism attractions & significant additional accommodation
- Cultural and creative
- Food and drink manufacture
- Manufacturing
- Energy
- Environmental
- Digital/ICT
- Social enterprises

/performance



performance:

what we achieved

A set of challenging targets were set for the programme. A number of additional criteria also applied including the requirement that at least 75% of existing business beneficiaries should be classed as 'Business to Business' – i.e. more than 50% of their turnover needed to be with other businesses. This meant that only a limited number of retail and tourism businesses (accommodation providers, etc) could be supported by the programme. In addition a number of specific categories of business were excluded from qualification as outputs for the programme in accordance with ERDF regulations including primary agriculture and forestry businesses.

Table 1 below summarises the performance of the programme against all key target outputs.

output	target	performance			
		durham	gateshead	northumberland	total
Business assisted	383	197	61	205	463
Enterprise ready	620	257	105	313	675
Business starts	119	71	27	51	149
Jobs created	182	84.5	26.5	68	179

Table 1: Programme Performance Statistics

This demonstrates tremendous performance on all outputs. In particular, we supported a massive 21% more existing businesses than the target and created 25% more businesses than anticipated.

Table 1 relates to those businesses engaged and pre-starts where we were able to count our support towards formal outputs. During the course of the programme we actually engaged with significantly more than 463 existing businesses many of which we were not able to count formally for a variety of reasons, largely because they related to non-priority sectors.

Table 2 shows a breakdown of all the businesses we engaged by sector. As this demonstrates, we engaged almost 1000 businesses over the course of the programme – an average of approaching 50 businesses for every operational month of the programme.

sector	existing businesses engaged by sector			
	durham	gateshead	northumberland	total
Knowledge intensive business services	120	27	134	281
Tourism attractions / significant accomodation	4	4	16	24
Cultural & Creative	53	12	59	124
Food & Drink manufacture	15	6	36	57
General manufacture	27	12	29	68
Energy	11	2	12	25
Environmental Goods & Services	12	2	6	20
Digital & ICT	23	10	20	53
Social Enterprise	18	24	0*	42
priority sector sub-total	283	99	312	694
other	100	36	139	275
total	383	135	451	969

Table 2: Existing Businesses Engaged

*all social enterprises in Northumberland referred directly to the existing Social Enterprise Northumberland service.

We were also required to ensure women were supported in equal measure to men across the programme. Table 3 shows the proportion of each key output which relates to women. Again, this represents strong performance and reflects both our inclusive overall approach to the programme as well as a range of bespoke enterprise activity specifically targeted at women.

output	% female			
	durham	gateshead	northumberland	overall
Businesses assisted	53	39	55	52
Enterprise ready	50	61	61	57
Business starts	46	56	53	49
Jobs created	49	55	49	49

Table 3: Women's Enterprise Performance

performance:

how we did it

Key areas of activity which were pivotal to the high level of performance achieved are summarised below.

workshops

From the first workshop held on 7 June 2013, entitled 'Be Your Own Boss', to the last workshop held on 30 March 2015 entitled 'Could you run your own consultancy business?', a total of 260 separate workshops were held across the RGN area. Over the operational term of the programme that equates to an average of 12 workshops held every month. Getting groups of pre-starts together to meet their learning needs and existing businesses to benefit from real expertise across a wide range of topics was an important part of programme delivery. Workshop topics included:

- Be your own boss
- Basic book-keeping
- Marketing for beginners
- Twitter
- Intro to social enterprise
- Marketing masterclass
- Sales boot camp
- Artists' peer review
- Women in enterprise
- Women's enterprise showcase
- Crafternoon Tea
- Super sales strategy
- Procurement
- Hadrian's Wall supplier seminars
- Social media
- Inspiring women
- eBay for start ups
- eBay masterclass
- Coffee & connections
- Product photography
- Media training
- Food & drink workshop
- Tendering for contracts
- Becoming a virtual assistant
- Masterclass series
- Baltic & Sage collection programme
- Marketing magic
- How to boost your business confidence
- Social media surgery
- Franchising opportunities
- Could you run your own consultancy business?

Workshops were designed around the needs expressed by clients, some traditional and others more innovative in their approach. For example, through eBay workshops, we targeted both pre-start and existing businesses to help explore the use of eBay as a tool for trading with other businesses and at Kirkley Hall, one of the RGN enterprise hubs, we ran a series of short masterclasses for existing businesses covering topics such as digital video and getting the most from your website.

Three examples of our workshop programme are set out on the following pages.

social media

Social media emerged early in our programme as a very popular topic. Following a successful trial, we ran a programme of social media workshops across the RGN area demonstrating the opportunities of social media and the tools available and helping businesses develop the right social media strategy within wider sales and marketing objectives.

All the delegates in all the sessions were truly engaged with the topic as well as the practical exercises. Social Media is indeed the most accessible aspect of online marketing for two main reasons:

- *individuals have some experience of the platforms at a personal level*
- *the subject taps into their existing communications skills mainly networking and customer service*

However, what individuals lack is the ability to use the tools for business purposes and generate more enquiries by engaging an online audience. For that reason, the workshops applied the 'listen-do-review' learning approach so that individuals could build their understanding and confidence in implementing social media strategies in a business context.

The day was structured around 6 modules, of which 'how to design your ideal social network', 'your social media healthcheck' and 'planning your social content' were the most popular. One key element which made a huge difference was the 'group learning' environment, it allowed individuals to share their problems and for the group to provide suggestions."

- Pascal Fintoni, Arclight Marketing & Media Ltd – Social Media Workshop deliverer

“*The course gave me so much confidence I really have a clear idea on how to move the business forward now.*”

“*I just wanted to thank the Enterprise Agency for the Social Media training at Middleton in Teesdale on Thursday. It was perfect for my company needs and has got myself and my team thinking in a different way towards what will be the biggest challenge / opportunity for SME's in the future.*”

rural creatives

Innovative sessions held in 2014 were designed to help creative businesses across the RGN area on a range of fronts including how best to sell into museum and arts venues (The Baltic and The Sage on the banks of the Tyne and Durham Cathedral).

“The most popular events and workshops by far were those that provided programme beneficiaries with opportunities to meet buyers and potential commissioners of their work.

These included a Meet the Buyers session in Morpeth, where we introduced creative business to a range of market opportunities; the work we did in partnership with the Baltic and Sage through the collections programme; the events delivered with Durham Cathedral around the Open Treasures commissions, and those delivered through the hub which linked creative businesses to visitor attractions looking to source products and services from local businesses.

The large numbers registering for these events suggest that there is a hunger amongst rural creative businesses to grow by identifying new markets for their work, and that they are opportunity-focused. The feedback we had from participants about these events was that they were very beneficial in that, not only did they create opportunities for participants to access new market information and provide a means through which they could establish relationships with buyers and commissioners of their work, but they also created a framework from which beneficiaries could reflect on their business training and development needs and consider how best they might invest their resources to help them grow.

Many of the beneficiaries used the programme’s subsequent training provision and one-to-one support to develop their knowledge/understanding and to exploit the market opportunities they were introduced to. Additionally, delivering the programme from a market-lead approach enabled us to provide a context through which to deliver the training and make it explicit how the knowledge could be used to help realise their businesses aspirations.”

- Jane Shaw, Blue Sky Think LLP – Rural Creatives Workshop deliverer

“A non-stop **enjoyable** business event.”

Hadrian's Wall Business Initiative

Following significant preparatory work, a short programme of events and workshops took place targeting businesses involved in the Food and Drink sector and for businesses operating in the Giftware sector. Three 'Meet the Buyer' events were held taking small groups of supplier businesses via minibus to visit 3 buyers at outlets associated with Hadrian's Wall over the course of a whole day. This included group networking and discussion activities conducted on the minibus while in transit. Buyers taking part in this initiative included Waitrose, the National Trust, Newcastle University Food Services and the Tyne & Wear Museums.

A second element of the project, entitled 'Preparing Your Pitch' workshops, then followed based on lessons learned from the Meet the Buyer sessions to support those businesses in developing their pitch and offer.

"The project proposal was based on the central premise that the visitor market associated with Hadrian's Wall, which was estimated to be worth £800m to the regional economy in 2012, represents a major opportunity for local businesses. It was therefore identified that local businesses would benefit from gaining greater understanding of this market and, more specifically, of some of the principal visitor attractions and other outlets which cater for this market."

"Feedback forms from participants indicated that all of these events had been very positively received. The rating for the Meet the Buyer events was 4.5 out of 5.0. The Preparing Your Pitch seminars received a 4.6 rating and the overall organisation of the events scored 4.6."

- David Brough – Hadrian's Wall Business Initiative deliverer

“This was an **excellent** event run by two **excellent** people from which I have taken a lot of useful information and thoughts that will enhance my business forward in the future.”

rural enterprise hubs

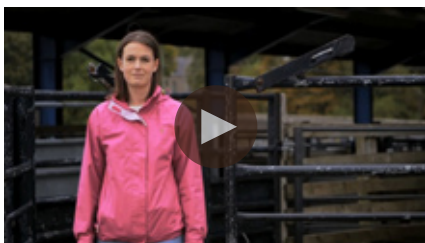
"Hubs provide a critical meeting point for top-down strategy and bottom-up delivery..."

A network of effective, sustainable hubs provides a potentially powerful force to bring economic policy objectives to bear across even the remotest rural areas." - *Rural Connect launch, May 2014*

We developed a direct relationship with over 30 enterprise hubs across the RGN area in a number of ways including:

- Using hubs as a venue for workshops
- Using hubs as a base and meeting venue for our REDO team
- Building on hubs' networks to contact and help businesses and pre starts in their patches
- Providing direct specialist support to hubs as businesses/social enterprises in their own right
- Assisting hubs in applying for RGN funds available under grant programmes such as the RGN Flexible Economic Development Fund
- Supporting hubs to become part of an effective region-wide enterprise hub network – Rural Connect

The Rural Connect network was launched in May 2014 with its own dedicated website and growing to 35 hub members by March 2015. The website can be viewed at: <http://ruralconnect.biz/>



Click the images above to view three Hub testimonies.

“We have found Rural Connect a very **useful** resource and great launch pad for our new hub, it is something we need to help us consolidate our position as a successful rural hub in the longer term”

(Gill Brown, Dissington Hall Enterprise Hub – opened February 2015)

“Rural Connect has given us the **opportunity** to share knowledge and experiences with fellow hub operators; this is often a difficult task for building managers such as myself, being based in a deep rural area such as Wooler...”

The network showcases what opportunities, to set up and grow businesses, are out there for budding entrepreneurs throughout the rural Northeast. It gives us, hub operators, a voice and a platform to do business with businesses”

(Neil Wilson, Glendale Gateway Trust and chair of Rural Connect)

rural connect objectives:

- To support the sustainability and development of hubs across the rural North East.
- To facilitate, develop and grow new and existing businesses.
- To provide added value to all hubs forming part of the Network.
- To develop, store and share good practice improving the effectiveness of hubs for the benefit of existing and future clients.
- To be a sounding board for new ideas and good practice.

rural connect operational principles:

- The key target audiences of the Network are:
 - (i) Hub operators
 - (ii) Customers (new and existing)
- The Network needs to be sustainable and developed at a pace which enables self-management.
- The Network should have a clear rural identity.
- The Network should seek to add value to the services available across all hubs, providing substance and visibility to the hub offer.
- The Network should seek to build hub reputation as focuses for enterprise and business support.

marketing magic

We delivered a series of 11 'Marketing Magic' seminars in hubs across the RGN area designed to support the hubs, their tenants and local businesses in improving marketing understanding and activity. These sessions were very popular with 149 attendees in total and have directly facilitated hubs to build sustainable local business networks.



Marketing Magic is a fun, interactive seminar packed full of practical marketing hints and tips. Whether an established business or just starting out delegates are provided with some great marketing advice to apply to their business.

The popularity of the marketing seminar was an ideal way for the hubs to attract new business customers who could find out about the services they offered while attending the seminar. Hexham Enterprise Hub benefited by gaining a customer for their office space on the day of the event.

The seminar provided an overview of marketing covering the importance of branding, designing leaflets and brochures, creating effective email campaigns and lots more inspirational marketing ideas. All delegates were supplied with a Marketing Mind Map template to enable them to implement practical marketing strategies.

The events were delivered in a range of venues and locations from Alnwick Castle which saw 50 delegates to smaller hubs throughout the North East. There was a real buzz in the room at all the events and it was fantastic to receive the positive feedback both from delegates and the hub operators.

- Paul Finch, Pulse Creative Marketing – Marketing Magic Seminar deliverer

“Paul was *excellent* at presenting and it was clear he knew what he was talking about. I found the course very valuable and it gave me ideas to take the marketing of my business further.”

“Great course. Very *useful* and nice to meet other local business owners.”

“Very good. Lovely and *engaging* presentation.”

“Really '*first class*'. Excellent morning. All aspects. Thank you.”

specialist support to businesses

The most significant area of programme activity was through the provision of specialist support to businesses which either fall within one of the RGN defined priority sectors or have clear growth potential. Once the precise needs of the business concerned were established, we paid for specialist support from the most appropriate source to help meet that need. In over 95% of cases this came from a private sector source which the business

themselves had identified. To help those businesses who did not have an existing provider in mind, we established a comprehensive list of 463 specialist support providers.

The support provided made a real difference to a wide range of businesses. A small number of examples are summarised below.

Burndale Border Collies

David Henderson is a champion sheep dog trainer, breeder and trialist. He has a lifelong passion and talent for breeding animals and in particular working Border Collies. The business was established in 2014 as a sole trader based in Tynedale. David has nationwide and international contacts and an excellent reputation. His dogs are bred and trained by him personally and have pure breeding lines to ensure they are healthy and likely to have an aptitude for working livestock. The business supplies trained dogs worldwide. David also provides consultancy, advice and guidance to buyers. There is also a stud service commanding a fee. The market is predominantly farmers and estate owners. At least 90% of turnover is business to business. Only dogs which do not want to work or are unable to work are sold

to private owners. David has a vision of being world champion sheep dog trialist and having a business which supplies top working dogs worldwide. David accessed support from the REDO receiving £1000 to meet the specialist support costs of developing a website and successfully applying for and receiving a £14,000 grant from the RGN Flexible Economic Development Fund for his new centre. He has reached his year 1 projected target for turnover, and exported dogs to Germany, Norway, Spain and USA. This is a rural business which would not have grown or become the centre of excellence it is without RGN support. It is an excellent example of supporting young people to remain in rural areas, providing work and finance into the local economy.

The Carrosserie Company (UK) Ltd

Carrosserie are based in Barnard Castle and restore vintage vehicles from both national and international clients. Their present IT system was operating Windows XP and was not fit for purpose. The management team did not have the skills or knowledge to put a suitable replacement in place without technical support. We were able to source a local provider who helped them to carry out a full review of their ICT requirements and

install replacement equipment which now enables them to access all their data remotely. All systems are now accessible when members of the business are out of the country.

We also referred the business onto another programme for additional support to redesign the website to provide client access for real time updates on the progress of each project.



AMA Group

Coming up to their first year of trading AMA Group has put clothing manufacturing firmly back on the map in East Durham. The company was launched by former Claremont Garments directors Paul Watts, David Price and Julie Price and is based at the Whitehouse Business Park, Peterlee. AMA has gone on to gain prestigious contracts including Tesco and Fred Perry and currently employs 48 people in roles including machinists, finishers and cutters.

To assist with their growth plans AMA worked alongside the Rural Growth Network Business Support Programme to access specialist support for critical communications

and public relations activity focused on a PR consultant. Sarah Marshall, Rural Enterprise Development Officer, worked with the company to access this support. She said: "The return of clothing manufacturing to East Durham is excellent news and I'm delighted we've been able to support the AMA Group to help get their plans off the ground." AMA Group plans to continue to recruit employees, and forecasts a workforce of 150 employees by the end of 2015.

This is a great example of a growing manufacturing business provided with the right form of support at the right time.

NE Solutions

Local IT business NE Solution was helped to secure a grant of £49,000 from the North East Small Business Growth Fund to refurbish a former youth club.

The building was transformed into the company's headquarters and five extra staff recruited.

NE Solutions have been in business since 1999 and had two staff just across the road from the premises before the funding was made possible. The former youth club

was thoroughly renovated with improved glazing and insulation, bringing back into use a prominent redundant building in the community.

The expansion was part of a new service for fixed price IT management and the business was one of the first in the North East to offer this deal with clients now able to increase or reduce the number of computers managed as business needs dictate.



Sweet Sally Cinnamon

From an initial stall at a Farmers' Market, Claire Megginson has built Sweet Sally Cinnamon to a successful business which focuses on producing unique and beautiful handmade gifts and confectionery including baking mix jars, fresh homemade cinder toffee, luxurious Belgian hot chocolate spoons and caramel sauce. The products are supplied wholesale on a trade basis to specialist food retailers and tourist attractions and retail through food festivals and Christmas markets. Based in a Durham village, Claire has gained significant

supply contracts with prestigious attractions such as the Beamish North of England Museum and Kielder Winter Wonderland and took part in the RGN Hadrian's Wall Business Initiative to further enhance her sales pitch and directly meet buyers from Mercari Foods, Waitrose, Newcastle University Food Services, Northumberland National Park visitor information centres and the National Trust. This opportunity directly meshed with Claire's existing business strategy which includes moving to larger premises for production purposes.

Imperial Cabinets

Imperial Cabinets NE supply and manufacture quality cabinetry and work surfaces including granite and quartz to trade and public from their premises on Addison Industrial Estate in rural Gateshead. The company initially secured specialist support via the local REDO which was used to re-design the company website which now reflects the quality of the products and services offered by the business.

Since then they have also developed a showroom at their premises and they ship regular container loads of kitchens to a key customer in Trinidad for the Caribbean market. Further potential for export opportunities exists and the REDO also supported the business in securing funds to enable the purchase of an edge polisher which will significantly improve efficiency and the company's ability to exploit these market opportunities.



Sefton House

A great Guest House situated in Alnmouth, Northumberland which we supported to maximise the value of the current offer and explore new markets. *See a short film here.*

Durham Associates Ltd

A group of companies with a turnover of some £1.5m, which owns the former Castle Eden Brewery site which they have refurbished and extended to provide a 15,000 sq ft prestige headquarters, some of which is now leased to other small businesses. The group provide marketing services to businesses including the development of new web-based tools for marketing organisations. The Group also offer training consultancy, post-graduate courses and are particularly active in the Middle East, where they also have offices. They hold the Queens Award for Export. The site has approximately 30 rooms to let each

around 250 sq ft, as well as on-site meeting rooms and a commercial bistro with its own resident ghost! We made contact with the business to raise awareness of the programme with tenants within the Castle Eden Old Brewery site. However, we were also able to provide support to the business itself through brokerage for an apprentice / graduate they were looking to employ. In addition, we supported the site to become part of the Enterprise Hub network for which they subsequently secured the contract to deliver the new website launched in May 2014.



Shepherds Walks

A Northumberland based business which was looking to expand into different markets. *See a short film here.*

Quotes from clients:

“The new Rich Alderson Limited website is now live, and I have to say that I am delighted with the result. Thanks so much for your help in obtaining the funding towards this”

“We received the payment of the grant on Monday and we’re delighted to have been awarded it. It really helped with the development of the resources for the courses we ran and made a significant contribution to the success of the whole programme. Our supplier was first class and helped at every stage of the progress.”

“I have been very happy with the work carried out, which now puts the business in a much stronger and more confident position as we set out to find new customers in these challenging times.”

“Just wanted to let you know my business won a competition with Virgin Media Pioneers to have a promotional video made for me to upload to my website! Really excited! Only started with the NEA late last year! Thank you so much for all your help, what a difference to my life in just a few months! My disabled partner is now also volunteering by helping with the business admin. Two lives turned around in one!”

“Barry has done a fantastic job for me here. I really couldn’t have done what he has & he has made it very understandable. All of my machines, even my phone, send and receive my e-mails, so when I eventually get to the Middle East I can still run my business.”

“Just wanted to drop you a line as we have accepted an offer from the Flexible Enterprise Development Fund which will allow us to purchase an Edge Polisher for our Granite fabrication business. None of this would have been possible without your hard work, support and guidance for which I am very grateful.”

“After a lot of work, and some great help from you guys, we’ve got the foundations of our company built! We have recently launched our full website, in both English and Chinese”

“Barry has done a fantastic job for me here. I really couldn’t have done what he has & he has made it very understandable. All of my machines, even my phone, send and receive my e-mails, so when I eventually get to the Middle East I can still run my business.”

networks and clusters

Our aim has been to build on existing networks and clusters where they exist and, where appropriate, support local businesses and organisations to establish new networking opportunities. Examples are many and include:

Winlaton Business Network

This group initially got together when attending sales and marketing workshops which we organised in the rural part of Gateshead borough. The workshops provided a rare opportunity for businesses from this part of the borough to meet each other and, as a result of excellent networking at the workshops, they decided to establish their own local business network. Janet from the Winlaton Centre and Russell from Russell Associates, one of the programme's very first start up successes, arranged the first informal networking session over a cup of tea/coffee in March 2014 and sessions have been held monthly since then with strong local attendance. Our REDO team member also attends the sessions to offer support and in March 2015 we supported the Network in running a workshop with a specialist presenter. The Network has now collaborated with the nearby Blackhall Mill business group to share expertise.

Upper Teesdale Women's Network

Our REDO team member in South Durham supported the establishment of a Women in Rural Enterprise (WiRE) networking group, emerging from local demand and meeting many times to date. We also ran a series of 'Social media café' informal gatherings for businesses to seek advice from a social media expert over a coffee which dovetailed with the Women's Network on a number of occasions to great effect.

Crafternoon tea

In North Durham, we supported the creation of a creative business cluster, following the 'airlock' model suggested by the NESTA 2010 Creative Clusters report. The recommendations from the report include catalysing latent clusters, thinking about which sectors work well together, and removing barriers to collaboration. A key finding was that by creating an 'airlock' model where a neutral organisation acts as a go-between can help build the trust needed to collaborate within this sector. Crafternoon Tea sessions were held monthly at various locations around the North Durham area bringing these businesses together in a relaxed and friendly environment to facilitate networking, the sharing of ideas and best practice and encouraging creative collaboration and support.

Vallum Farm Food Hub

Described as "The Artisan Gateway to Hadrian's Wall", Vallum Farm is home to a number of businesses including artisan growers, smokers, bakers, chefs and ice cream makers. Vallum is a developing food hub which we supported to become part of the Rural Connect enterprise hub network. In June 2014 we also organised workshop sessions for the onsite businesses focused on particular IT needs identified by the businesses as a mechanism to assist each business and to facilitate networking.

Therapy Café

Building upon the success of our Crafternoon Tea programme there was evident demand from complementary therapists for similar provision. Many therapists attended the Crafternoon Tea sessions and found them very useful in developing networks and for peer to peer support. However, a more focused series of cluster sessions specifically for their needs proved hugely beneficial. These sessions created a supported opportunity for likeminded health and beauty/complementary therapists to meet on a regular basis as an informal cluster group led by an Enterprise Coach. Participants were enabled to offer each other peer support and guidance both within and without the duration of the meeting.

Upper Teesdale Tourism Network

Upper Teesdale Tourism Network (UTTN) is an existing local network for businesses focussed on Middleton-in-Teesdale. UTTN were keen to build on existing activity and further promote their services to existing and potential new members. We supported the consolidation of this Network by providing specialist support through a social media consultant to push the Network's web-site through walking sites and social media (including the establishment of a facebook presence and updating the existing website), design and printing of UTTN 'walkers welcome' window stickers to raise the profile of a developed walks programme and the creation of A4 walk marketing distributed through the Tourist Information Centre, Village Bookshop, pubs and cafés.

Explore Northumberland

Explore Northumberland is a network of tourism attractions working together to develop the promotional brand of Explore Northumberland which is used as a promotional vehicle for trade shows. Partners support each other to promote the area and their attractions at a range of trade fairs with a view to increasing visitor numbers to the area as well as providing peer support and sharing best practice between attractions. We supported the group in the creation of bespoke banner stands providing a joint branding for Explore Northumberland, directly supporting network sustainability.

The Outdoors Network

The Outdoors Network is a constituted group of providers of a range of outdoor activities. The group has been set up for a number of years and in the beginning was very active and dynamic. In recent years the group had been less active and numbers were dwindling. In order to support a renaissance for the group, the local REDO supported members to investigate the potential for developing the network. As a result, current members concluded that the network benefitted their business both as a referral mechanism to generate bookings but also as a support mechanism for members to help develop their individual business.

As a network they were keen to build up a joint presence on social media networks, especially Facebook. A range of options were considered and on advice from specialists a facebook presence was established as a means of:

- Promoting the network to potential new members across the county
- Promoting the activities of the collective businesses to tour operators and potential visitors
- Using the page as an accessible medium to link in with Northumberland Tourism and other tourism networks locally.

We also supported the group to put in place a strategy of content to maximise impact and link the facebook page to individual member's social media and online marketing.

Women's Rural Enterprise Network

Rothbury WI was a year old at the end of 2014. One of the more dynamic and active WI's in Northumberland, it has a relatively large membership of 88 women aged from 18 – 82 and within that membership over 30 women who either run businesses or were considering starting a business.

Following a series of informal drop-in sessions held by the local REDO prior to WI meetings and two trial business workshops, Rothbury WI decided to formally establish a women's business network. We directly supported WREN to be established including development of a basic marketing plan, marketing materials and a social media platform. The group has gone from strength to strength and is now drawing members from the whole Coquet Valley.

Enterprising Glendale

The Enterprising Glendale network was borne out of the Wooler Work Hub, based in the Cheviot Centre, Wooler. The network was established to support those people working in the Hub, and surrounding Glendale area-allowing them ease of access to business support and advice, networking opportunities and information about training and workshops. We supported the network to build a mini-site on www.wooler.org.uk for members of Enterprising Glendale to list their business, research other Glendale businesses, network amongst each other, receive newsletters, industry updates, and have access to forthcoming training opportunities and workshops. Members manage their own listing, allowing the flexibility to update as and when required. Marketing materials, logo and stationery was also developed to further consolidate the Enterprising Glendale network.

Gallery 45

Gallery 45 is a creative hub set up in 2014 in the Old Stag's Head pub in Felton. The actual gallery/giftshop takes up the front of the building with eight other rooms let out to a range of creative businesses with an agreement of reduced or free rent for a period if the businesses renovated their own spaces. We supported the owners of Gallery 45 to establish a network for creative businesses based at the Gallery and nearby including the provision of marketing materials and access to a specialist consultant to facilitate the establishment of the network and its forward plan.

Quotes from clients:

“Isn't it nice to not have to travel into the main towns and cities in the region to do a bit of networking and you never know what might come of it”

“I just wanted to let you know how helpful it's proved to be already. As a result of showing the owner of Consett Glass and Art Gallery my truffles and cakes she has asked to stock the truffles in the run up to Xmas, so from the beginning of November they will be available to buy from there as well as at my Farmer's Markets. Just goes to show the power of networking.”

“They got a lot out of the content of the workshops but even more out of the networking opportunities, which they decided to keep going”

“I really enjoyed the social media surgery. It was good to meet with like-minded people, learn and discuss new ways of doing things. I learnt so much and it has given me the confidence to try out different types of social media. Definitely would like to attend the next one”

“Warm, relevant, helpful, positive, innovative. Great to network together and prevent giving up.”

“Love the networking. Really important to meet others in similar situation for support, advice and guidance and sharing.”



***/outcomes &
lessons learnt***

outcomes & lessons learned

key outcomes

The RGN rural business support programme has been demonstrably very, very successful in achieving all targets and has been warmly received by businesses and pre-starts across the rural North East. Key outcomes of the programme are summarised below in relation to each of the core principles set for the programme.

Make use of established networks, organisations and facilities.

This was a key building plank of the programme from the outset and was undoubtedly facilitated by the existing networks and relationships of the delivery partners and the REDO team. A network of 463 specialist suppliers was established to deliver direct support to businesses and the supplier database remains as a resource available for future programmes. Respected organisations and programmes such as Durham Creatives, the Bay Academy and Pulse Creative Marketing were funded to deliver targeted activities for the programme building on their expertise and existing reputations. 440 direct referrals were made to other partners to assist clients with business development and a functioning network of 35 rural enterprise hubs was developed with 100% of RGN workshops delivered through hubs.

Reach out to the most remote rural areas.

Our REDOs were based throughout the area with specific arrangements put in place to provide a physical presence in a variety of remote locations including Wooler, Stanhope, Middleton and Castle Eden. REDOs spent significant time building contacts in the remoter locations demonstrated by the wide variety of client locations. No part of the area was left out.

Build sustainable capacity.

Full sustainability is not possible as it requires someone to pay for the essential 'glue' provided by this programme – the resource which enabled the critical connection to be made between rurally based businesses/individuals and the support programmes which exist. However, in building a network of formerly disparate enterprise hubs, a firm foundation has been laid to enable future programmes to easily reach into all rural areas of the North East. The existing delivery partnership within NEEAL has also been strengthened in relation to its approach to rural areas within the North East, providing a ready-made delivery channel for the future.

Promote networking.

A series of networks was supported during the programme, all of which it is anticipated will continue. Perhaps one of the most significant networks established

has been that which crosses the administrative boundaries of three local authority areas and the sectoral boundaries between the public, private and social sectors. Organisations across all three sectors have been involved in delivery of this programme and lasting relationships established.

Focus on the needs of women.

This has been a significant success for the programme. Output statistics clearly demonstrate that mainstream provision through the programme directly assisted female led businesses and female entrepreneurs across the area. The majority of the REDO team were female and a series of female targeted activities were undertaken culminating in celebration of rural women's enterprise at the prestigious annual Women In the Network (WIN) awards in October 2014 and an 'Inspiring Women' event in February 2015 attended by 42 local female business owners. The importance of female led businesses in the rural North East is now unquestionable.

Promote and support social enterprise.

Social enterprises were welcomed to the programme across the area resulting in a wide range of social enterprises being supported across County Durham and rural Gateshead. In Northumberland, partnership with the existing Social Enterprise Northumberland (SEN) service enabled all support to be referred on to a trusted existing source of support further helping to embed this respected existing service.

Promote innovation and learning.

This programme has differed significantly from traditional business support programmes in that its prime purpose has not been the direct provision of support. The over-riding aim has been to explore all avenues to encourage rurally based businesses and individuals to engage with support programmes and help them to grow. Output figures demonstrate that this has clearly been a huge success. In addition, specific innovative activities have been trialled leading to a number of lessons learned for future programmes.

key lessons

Reflection on the programme, discussion with delivery partners and feedback from clients points to a series of key lessons learned for the RGN rural business support programme. These are set out below.

The Approach Works.

We were asked to test the following premise: "Access to national mainstream employer skills programmes and government business support programmes among rural businesses may be improved if information and advice on how to apply for support is pro-actively provided (ideally face-to-face or by telephone) by a stable set of intermediaries."

The results achieved prove beyond question that a trusted set of intermediaries can enable large numbers of rurally based businesses to engage with support programmes. The approach adopted has achieved this end across the whole RGN area. Unfortunately, the service came to an end in March 2015 and a "stable" set of intermediaries is not in place. However, it is hoped that the small relative cost of providing such a service weighed against the potential business and economic growth which can be achieved will mean that such a service will become mainstream at some point in the future as the government and partners reflect on the results of this pilot programme.

Momentum needs time to develop but snowballs very quickly.

There was an inevitable short period at the start of the programme where all parties, including partners and potential clients, began to fully understand the programme approach and offer. Once understanding was embedded and processes understood, the programme really took off with outputs growing considerably right up to the programme's conclusion.

A committed delivery organisation is critical.

The programme undoubtedly benefited from delivery through a group of social enterprises (Enterprise Agencies) and a public sector partner (local authority). This ensured that the delivery focus throughout the programme was on outcomes as well as outputs. A series of output targets were utilised to trigger contract payments and, arguably, a more commercially minded delivery organisation may have been tempted to maximise financial return by focusing on the most

efficient way to deliver outputs. This would have resulted in workshops and specialist support delivery being focussed on a smaller number of workshops in locations where higher numbers would be generated per session and, potentially, on the provision of more generic support rather than the wide spectrum of specialist support actually delivered. The objectives of utilising existing services/facilities, embedding networks and fostering sustainability would not have been achieved.

Major marketing activity is not necessary.

As a time limited programme, and in keeping with the principle of building the sustainability of existing organisations and facilities, we did not embark on a major marketing campaign to promote the RGN programme. Promotion was carried out solely through the networking of REDOs and more strategically via the Project Managers networking with other programmes and partners. Localised marketing was utilised to promote additional take up of workshops and the availability of REDOs. This approach achieved the aim of driving more clients to existing programmes rather than creating a distraction from existing programmes and was a significant factor in ensuring high levels of partnership working with other programme providers.

Delivery tools are useful.

The existence of specific tools such as the RGN Flexible Economic Development Fund (FEDF) and specialist support provision were important tools in encouraging client engagement with the programme. These provided concrete offers to build client confidence and enable subsequent referral to other business support programmes. In the case of the FEDF, however, feedback clearly suggests that an even lower entry threshold would be of benefit to many rural businesses.

Valuable assets can be developed.

A legacy of the programme is the existence of an up to date database of suppliers across the North East accessible via an intranet facility developed to serve the delivery partners. In addition, a database of approaching 1000 businesses across the rural North East has been established as a resource for utilisation by future NEEAL coordinated programmes. This will enable continued engagement and support for these rural businesses to be provided by new programmes that are developed.

The breadth of rural business activity has been underlined.

A significant benefit of the programme has been a detailed focus on the region's rural areas which has revealed the extent and diversity of innovative business activity. This was a result of the programme requirements to seek out businesses in all corners of the North East and may well not have been achieved had the programme been driven by numbers rather than geography.

Output targets can act as a constraint.

The time threshold used to gauge whether sufficient support had been provided to an existing business was 12 hours. The time threshold used to gauge whether an individual had become enterprise ready was 3 hours. These are relatively arbitrary measures and provided no incentive to provide additional support through the programme once these time thresholds had been reached, even if additional support would clearly be of benefit. We did provide additional support on a number of occasions above and beyond the contract requirements as this was clearly warranted. Future programmes should be encouraged to enable a more flexible approach to such measures in appropriate circumstances.

“ I'm really impressed with the Rural Growth Network programme and what it has achieved. In my experience, it has been unique in taking business support to our most remote rural communities and working with businesses who have never had access to support before. The work that was done in developing hubs and networks will leave a lasting legacy long after the programme itself has come to an end and North East Enterprise Agency is delighted to have played its part in this.”

Paul McEldon, Chair of NEEAL & Chief Executive of the North East Business & Innovation Centre

“If you put the right people, systems and tools in place people who need support come out of the woodwork” (Enterprise Agency chief executive)




Department
for Environment
Food & Rural Affairs



EUROPEAN UNION
Investing in Your Future
European Regional
Development Fund 2007–13



North East Enterprise Agency Limited